

Independent Auditor's Report

To the Members of Aragen Life Sciences Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Aragen Life Sciences Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2025, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the 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 intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Principal Office:

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center,
Western Express Highway, Goregaon (East), Mumbai - 400063

Independent Auditor's Report (Continued)

Aragen Life Sciences Limited

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control 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 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 and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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 Section 143(11) 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 A. As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our



Independent Auditor's Report (Continued)

Aragen Life Sciences Limited

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 matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors on 01 April 2025 and 29 April 2025 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its standalone financial statements - Refer Note 34 to the standalone financial statements.
 - b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 17 to the standalone financial statements.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d (i) The management of the Company represented that, to the best of its knowledge and belief, other than as disclosed in the Note 42(vi) 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.
 - (ii) The management of the Company represented that, to the best of its knowledge and belief, as disclosed in the Note 42(vi) 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 Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures 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 (i) and (ii) above,



Independent Auditor's Report (Continued)

Aragen Life Sciences Limited

contain any material misstatement.

- e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 13 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility except that the feature of recording audit trail (edit log) facility was not enabled at: (i) database level to log any direct changes and (ii) the application level for certain files/tables relating to significant processes of the Company, throughout the year. For accounting software for which audit trail feature is enabled, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit. Additionally, where enabled, the audit trail has been preserved by the Company as per the statutory requirements for record retention.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R and Co

Chartered Accountants

Firm's Registration No.: 128510W



R. Vivek

Partner

Place: Hyderabad

Date: 30 May 2025

Membership No.: 225161

ICAI UDIN: 25225161BMOQVJ1417

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Aragen Life Sciences Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Right of-use-assets, Investment Property and Assets held for sale.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment (including Assets held for sale), Right of-use-assets and Investment Property by which all Property, Plant and Equipment (including Assets held for sale), Right of-use-assets and Investment Property are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment (including Assets held for sale), Right of-use-assets and Investment Property were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (Amount in ₹ million)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Land#	47.95	Telangana State Industrial Infrastructure Corporation	No	2007	Land allotted pursuant to agreement for sale which is pending registration in the name of the Company.

Subsequent to 31 March 2025, the aforementioned title deeds of the land has been registered in the name of the Company.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Assets held for sale and Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Aragen Life Sciences Limited for the year ended 31 March 2025
(Continued)**

- (ii) (a) The inventory, except stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided security or granted advances in the nature of loans, secured or unsecured, to companies during the year. The Company has made investments, provided guarantee and granted unsecured loans, to companies, in respect of which the requisite information is as below. The Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or stood guarantee to companies as below:

Particulars	Guarantees	Loans
Aggregate amount during the year Subsidiaries*	1,400.00	170.00
Balance outstanding as at balance sheet date Subsidiaries*	2,006.18	170.00

**As per the Companies Act, 2013*

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided during the year and the terms and conditions of the grant of loans and guarantees provided during the year are not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loan of Rs. 170.00 million given to M/s. Aragen Biologics Private Limited, in our opinion the repayment of principal has not been stipulated and the principal amount is repayable on demand. As informed to us, the Company has not demanded repayment of the loan during the year. Thus, there has been no default on the part of the party to whom the money has been lent. The payment of interest has been stipulated and the receipts have been regular except for the following:



Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Aragen Life Sciences Limited for the year ended 31 March 2025 (Continued)

Name of the entity	Amount (in Rs. in million)	Due Date	Extent of delay	Remarks
Aragen Biologics Private Limited	3.39	31 December 2024	90	These amounts have been subsequently received on 02 April 2025.
Aragen Biologics Private Limited	1.19	30 September 2024	182	

Further, the Company has not given any advance in the nature of loan to any party during the year.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given except an amount of Rs. 1.19 million (interest) overdue for more than ninety days as at 31 March 2025. In our opinion, reasonable steps have been taken by the Company for recovery of the principal and interest. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

	Related Parties
Aggregate of loans	
- Repayable on demand (A)	170.00
- Agreement does not specify any terms or period of Repayment (B)	-
Total (A+B)	170.00
Percentage of loans to the total loans	100%

Further, the Company has not given any advance in the nature of loan to any party during the year.

- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 ("the Act"). In respect of the investments made, loans granted and guarantees provided by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Aragen Life Sciences Limited for the year ended 31 March 2025 (Continued)

- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 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 on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in millions)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	36.91	Assessment Year ('AY') 2006-07	High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh
		85.60	AY 2008-09	
		59.80	AY 2009-10	
		126.20	AY 2010-11	
		101.81	AY 2011-12	
		132.55	AY 2012-13	
		155.74	AY 2013-14	
		220.32	AY 2014-15	
		218.28	AY 2015-16	Jurisdictional

**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Aragen Life Sciences Limited for the year ended 31 March 2025
(Continued)**

Name of the statute	Nature of the dues	Amount (Rs. in millions)	Period to which the amount relates	Forum where dispute is pending
		(19.39)*		Assessing Officer
		28.06 (5.61)*	AY 2016-17	Commissioner of Income Tax (Appeals)
		36.88 (10.09)*	AY 2017-18	
		0.50	AY 2017-18	Deputy Commissioner of Income Tax
Finance Act, 1994	Service tax	1.89 (0.19)*	Financial Year ('FY') 2016-17	Customs Excise and Service Tax Appellate Tribunal
Central Sales tax Act, 1956	Sales tax	1.45 (0.73)*	FY 2016-17	Value Added Tax Tribunal
Customs Act 1962	Customs duty	4.27 (7.50)*	FY 2013-14 to FY 2017-18	Customs Excise and Service Tax Appellate Tribunal
Goods and Services Act, 2017	Goods and service tax	5.25 (0.40)*	FY 2017-18	Assistant Commissioner of Central Tax
		118.58 (11.73)*	FY 2017-18 to FY 2019-20	Commissioner of Customs & Indirect Taxes (Appeals)
		9.63 (0.96)*	FY 2018-19	
		35.51 (3.55)*	FY 2018-19	Additional Commissioner
		39.09 (3.40)*	1 July 2017 to 31 March 2022	Commissioner of Customs & Indirect Taxes (Appeals)
		0.36	1 July 2020 to 31 March 2022	
		51.29	FY 2021-22	

*The amount represents the payments made under protest.

**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Aragen Life Sciences Limited for the year ended 31 March 2025
(Continued)**

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act. The Company does not have any investment in joint ventures or associates during the year.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act). The Company does not have any investment in joint ventures or associates during the year.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment of equity shares or fully or partly convertible debentures during the year. In our opinion, in respect of private placement of equity shares made during the year, the Company has duly complied with the requirements of Section 42 and Section 62 of the Act. The proceeds from issue of equity shares have been used for the purposes for which the funds were raised except for an amount of Rs. 3,013.40 million which was unutilized as at 31 March 2025 and temporarily invested in fixed deposits.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial

**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Aragen Life Sciences Limited for the year ended 31 March 2025
(Continued)**

statements as required by the applicable accounting standards.

- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, 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 the 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) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section



B S R and Co

**Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Aragen Life Sciences Limited for the year ended 31 March 2025
(Continued)**

135(6) of the said Act.

For B S R and Co

Chartered Accountants

Firm's Registration No.:128510W



R. Vivek

Partner

Place: Hyderabad

Date: 30 May 2025

Membership No.: 225161

ICAI UDIN:25225161BMOQVJ1417

Annexure B to the Independent Auditor's Report on the standalone financial statements of Aragen Life Sciences Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

We have audited the internal financial controls with reference to financial statements of Aragen Life Sciences Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to



B S R and Co

**Annexure B to the Independent Auditor's Report on the standalone financial statements of Aragen Life Sciences Limited for the year ended 31 March 2025
(Continued)**

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 financial statements include 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.

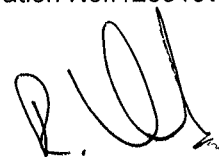
Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R and Co**

Chartered Accountants

Firm's Registration No.:128510W



R. Vivek

Partner

Place: Hyderabad

Date: 30 May 2025

Membership No.: 225161

ICAI UDIN:25225161BMOQVJ1417

Aragen Life Sciences Limited**Standalone Balance Sheet as at 31 March 2025**

(All amounts in ₹ million, except share data, unless otherwise stated)

	Notes	As at	
		31 March 2025	31 March 2024
Assets			
Non-current assets			
Property, plant and equipment	3	10,974.42	9,368.86
Capital work-in-progress	3	1,949.74	2,472.08
Right-of-use assets	3A	763.53	470.88
Investment Property	3C	154.85	-
Investment Property under development	3C	597.31	484.86
Other intangible assets	4	89.51	108.74
Financial assets			
- Investments	5	4,013.42	1,787.58
- Loans	6	179.45	-
- Other financial assets	7	199.08	124.79
Deferred tax assets (net)	27	54.32	105.76
Non-current tax assets, net	27	199.15	198.92
Other non-current assets	11	90.46	32.29
Total non-current assets		19,265.25	15,154.76
Current assets			
Inventories	8	796.32	691.10
Financial assets			
- Trade receivables	9	3,943.43	3,186.66
- Cash and cash equivalents	10A	332.94	976.80
- Bank balances other than cash and cash equivalents	10B	1,965.11	556.23
- Other financial assets	7	2,347.35	443.39
Other current assets	11	810.62	887.76
		10,195.77	6,741.94
Assets held for sale	3B	23.48	1,139.22
Total current assets		10,219.25	7,881.16
Total assets		29,484.49	23,035.92
Equity and liabilities			
Equity			
Equity share capital	12	2,169.90	2,044.14
Other equity	13	19,830.38	11,727.60
Total Equity		22,000.28	13,771.74
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	14	459.38	1,809.38
- Lease liabilities	3A	460.44	247.59
Provisions	15	300.72	247.24
Total non-current liabilities		1,220.54	2,304.21
Current liabilities			
Financial liabilities			
- Borrowings	14	2,768.97	4,195.10
- Lease liabilities	3A	115.13	86.03
- Trade payables	16		
-Total outstanding dues of micro enterprises and small enterprises; and		231.85	219.06
-Total outstanding dues of creditors other than micro enterprises and small enterprises		1,148.48	904.63
- Other financial liabilities	17	1,321.96	853.29
Other current liabilities	18	395.20	487.60
Provisions	15	164.43	136.05
Current tax liabilities (net)	27	117.65	78.21
Total current liabilities		6,263.67	6,959.97
Total liabilities		7,484.21	9,264.18
Total equity and liabilities		29,484.49	23,035.92
Company overview & Material accounting policies	1 & 2		

The notes referred to above form an integral part of these standalone financial statements.

As per our Report of even date attached

For **B S R and Co**

Chartered Accountants

ICAI Firm Registration No: 128510W

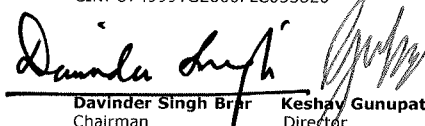

R Vivek
Partner

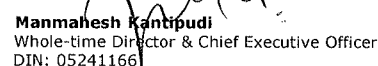
Membership No. 225161

for and on behalf of the Board of Directors of

Aragen Life Sciences Limited

CIN: U74999TG2000PLC035826


Davinder Singh Brar
Chairman
DIN: 00068502**Keshav Gunupati Venkat Reddy**
Director
DIN: 06593325**K Ramakrishna**
Company Secretary
M.No.: F3865

Sachin Anand Dharap
Chief Financial Officer

Manmahesh Kantipudi
Whole-time Director & Chief Executive Officer
DIN: 05241166Place: Hyderabad
Date: 30 May 2025Place: Hyderabad
Date: 28 May 2025

Aragen Life Sciences Limited**Standalone Statement of Profit and Loss for the year ended 31 March 2025**

(All amounts in ₹ million, except share data, unless otherwise stated)

	Notes	For the year ended	
		31 March 2025	31 March 2024
Revenue from operations	19	16,521.79	14,602.08
Other income	20	560.86	196.25
Total income		17,082.65	14,798.33
Expenses			
Cost of materials consumed	21	1,547.84	1,432.44
Changes in inventories of work-in-progress and finished goods	22	(56.04)	(67.44)
Cost of chemicals, reagents and consumables consumed	22	2,853.93	2,207.72
Employee benefits expense	23	4,434.08	4,034.52
Finance costs	24	316.65	286.11
Depreciation and amortisation expense	25	1,510.38	1,607.32
Other expenses	26	3,186.59	2,780.47
Total expenses		13,793.43	12,281.14
Profit before tax		3,289.22	2,517.19
Tax expense			
(a) Current tax expense	27	701.63	675.90
(b) Deferred tax expense/(benefit)	27	90.23	(46.37)
Total tax expense		791.86	629.53
Profit for the year		2,497.36	1,887.66
Other comprehensive income/ (loss)			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Remeasurement gain/(loss) on defined benefit plans		(16.61)	(13.91)
Income-tax effect on above		4.18	3.50
<i>Items that will be reclassified subsequently to profit or loss</i>			
Effective portion of gain/(loss) on hedging instruments in cash flow hedges		(137.52)	193.73
Income-tax effect on effective portion of cashflow hedge		34.61	(48.76)
Total other comprehensive income/(loss), net of tax		(115.34)	134.56
Total comprehensive income for the year		2,382.02	2,022.22
Earnings per equity share (EPS)			
(a) Basic (In ₹)	28	12.19	9.34
(b) Diluted (In ₹)	28	12.01	9.21
Company overview & Material accounting policies	1 & 2		

The notes referred to above form an integral part of these standalone financial statements.

As per our Report of even date attached
For **B S R and Co**
Chartered Accountants

ICAI Firm Registration No: 128510W

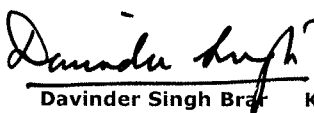
R Vivek

Partner

Membership No. 225161

for and on behalf of the Board of Directors of
Aragen Life Sciences Limited

CIN: U74999TG2000PLC035826


Davinder Singh Brar

Chairman

DIN: 00068502


Keshav Gunupati Venkat Reddy

Director

DIN: 06593325


K Ramakrishna

Company Secretary

M.No.: F3865


Sachin Anand Dharap

Chief Financial Officer


Manmahesh Kantipudi

Whole-time Director & Chief Executive Officer

Place: Hyderabad
Date: 30 May 2025

Place: Hyderabad
Date: 28 May 2025

Aragen Life Sciences Limited
Standalone Statement of Changes in Equity for the year ended 31 March 2025
 (All amounts in ₹ million, except share data, unless otherwise stated)

(a) Equity share capital

	Number	Amount
Balance As at 01 April 2024		
Fresh issued made during the year	20,44,14,189	2,044.14
Balance As at 31 March 2025	1,25,76,151	125.76
	21,69,90,340	2,169.90
Balance As at 01 April 2023		
Fresh issued made during the year	20,44,14,189	2,044.14
Balance As at 31 March 2024		
	20,44,14,189	2,044.14

(b) Other equity (refer note 13)

Particulars	Reserves and Surplus							Other comprehensive income	Total other equity
	Securities premium	Treasury shares	Capital reserve	General reserve	Retained earnings	Debt redemption reserve	Share based payment reserve	Effective portion of cashflow hedge	
Balance as at 31 March 2024									
Profit for the year	-	(146.87)	(462.02)	-	11,813.38	200.00	285.80	37.31	11,727.60
Other comprehensive income, net of Income tax	-	-	-	-	2,497.36	-	-	-	2,497.36
Recognition of share based payments	-	-	-	-	(12.43)	-	-	(102.91)	(115.34)
Contribution towards employees of Subsidiary	-	-	-	-	-	-	39.71	-	39.71
Dividends	-	-	-	-	-	-	9.85	-	9.85
Issue of fresh shares	6,211.74	-	-	-	(404.03)	-	-	-	(404.03)
Expenses on issue of shares	(143.43)	-	-	-	-	-	-	-	6,211.74
Amount transferred with in reserves	-	-	-	17.74	200.00	(200.00)	(17.74)	-	(143.43)
Exercise of employee stock options	(1.15)	10.56	-	-	-	-	(2.49)	-	0.00
Balance as at 31 March 2025	6,067.16	(136.31)	(462.02)	17.74	14,094.28	-	315.13	(65.60)	19,830.38
Balance as at 31 March 2023									
Profit for the year	-	(146.87)	(462.02)	-	10,471.47	200.00	173.86	(107.66)	10,128.78
Other comprehensive income, net of Income tax	-	-	-	-	1,887.66	-	-	-	1,887.66
Recognition of share based payments	-	-	-	-	(10.41)	-	-	144.97	134.56
Contribution towards employees of Subsidiary	-	-	-	-	-	-	95.14	-	95.14
Dividends paid	-	-	-	-	(535.34)	-	16.80	-	16.80
Balance as at 31 March 2024	-	(146.87)	(462.02)	-	11,813.38	200.00	285.80	37.31	11,727.60

The notes referred to above form an integral part of these standalone financial statements.

As per our Report of even date attached
 For **B S R and Co**

Chartered Accountants

ICAI Firm Registration No: 128510W

CIN: U74999TG2000PLC035826

for and on behalf of the Board of Directors of
Aragen Life Sciences Limited

Dawinder Singh Brar
 Chairman
 DIN: 00068502

Keshav Gunupati Venkat Reddy
 Director
 DIN: 06593325

K Ramakrishna
 Company Secretary
 M.No.: F3865

Sachin Anand Dharap
 Chief Financial Officer
 Place: Hyderabad
 Date: 28 May 2025

Marmahesh Vantupudi
 Whole-time Director & Chief Executive Officer
 DIN: 05241168

Place: Hyderabad
 Date: 30 May 2025

Membership No. 225161

R Vivek
 Partner

Aragen Life Sciences Limited
Standalone Statement of cash flows for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

	For the year ended	
	31 March 2025	31 March 2024
Cash flow from operating activities		
Profit before tax	3,289.22	2,517.19
Adjustments for:		
Depreciation and amortisation expense	1,510.38	1,607.32
Interest income	(165.67)	(51.17)
Liabilities no longer required written back	(17.66)	(19.06)
Interest expense	316.65	286.11
Employee stock compensation expense	39.71	95.14
IPO Expense & Prepaid CSR write off	106.75	-
Unrealised foreign exchange fluctuation gain	(23.23)	(62.73)
Loss/(gain) on sale of property, plant and equipment	0.67	(3.99)
Loss allowance/ reversal on receivables	16.54	(7.55)
Financial guarantee income	(16.03)	(4.78)
Gain on sale of investments in subsidiary	(195.91)	-
Income from Production linked incentive (PLI)	(100.00)	-
Dividend Income on preference shares	(73.07)	-
Adjustments for working capital		
Movement in inventories	(105.22)	(66.60)
Movement in trade receivables	(744.09)	(274.25)
Movement in other financial assets	(46.55)	(380.92)
Movement in other assets	(73.08)	130.69
Movement in trade payables	265.21	51.33
Movement in other current financial liabilities	45.97	100.46
Movement in provisions	65.25	61.78
Movement in other current liabilities	(88.33)	197.74
Cash generated from operations	4,007.51	4,176.71
Income tax paid (net)	(662.43)	(733.24)
Net cash flow generated from operating activities	3,345.08	3,443.47
Cash flows from investing activities		
Purchase of property, plant and equipment, Capital work in progress, investment property and movement in Capital advances and Capital creditors	(2,265.12)	(3,110.49)
Proceeds from sale of property, plant and equipment	0.97	5.35
Proceeds from sale of Investment in Subsidiaries	1,152.06	-
(Investment in)/redemption of fixed deposits, net	(3,425.95)	347.18
Loans given to related parties	(170.00)	-
Loans repaid by related parties	-	41.08
Investment in subsidiaries	(1,820.00)	(200.00)
Finance and interest income received	119.67	55.95
Net cash used in investing activities	(6,408.37)	(2,860.93)
Cash flow from financing activities		
Issue of equity shares including securities premium(net of expenses)	6,194.07	-
Amount received on exercise of shares	6.92	-
Proceeds from long-term borrowings	-	1,000.00
Repayment of long-term borrowings	(2,756.27)	(821.39)
Payment of lease liabilities	(180.39)	(92.76)
Payment of dividend	(404.03)	(535.34)
Proceeds/(repayment) from short-term borrowings, net	(11.38)	872.40
Finance cost paid	(429.48)	(385.58)
Net cash flow generated from financing activities	2,419.44	37.33
Net increase/(decrease) in cash and cash equivalents	(643.86)	619.87
Cash and cash equivalents at the beginning of the year	976.80	356.93
Cash and cash equivalents at the end of the year	332.94	976.80
Cash and cash equivalents comprise		
Balances with banks		
On current accounts	332.59	186.75
Fixed deposits with maturity of less than 3 months	-	790.00
Cash on hand	0.35	0.05
Total cash and cash equivalents at end of the year	332.94	976.80

Refer note 14 for Reconciliation of Liabilities from Financing Activities.

The notes referred to above form an integral part of these standalone financial statements.

As per our Report of even date attached
For **B S R and Co**
Chartered Accountants

ICA Firm Registration No: 128510W

R Vivek
Partner
Membership No. 225161

for and on behalf of the Board of Directors of
Aragen Life Sciences Limited

CIN: U74999TG2000PLC035826

Davinder Singh Brar
Chairman
DIN: 00068502

Keshay Gunupati Venkat Reddy
Director
DIN: 06593325

K Ramakrishna
Company Secretary
M.No.: F3865

Sachin Anand Dharap
Chief Financial Officer

Manmahesh Kantipudi
Whole-time Director & Chief Executive Officer
DIN: 05241166

Place: Hyderabad
Date: 30 May 2025

Place: Hyderabad
Date: 28 May 2025

Aragen Life Sciences Limited (formerly known as Aragen Life Sciences Private Limited)
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

Company overview

Aragen Life Sciences Limited (formerly known as Aragen Life Sciences Private Limited) ("the Company"), is a Company incorporated in the year 2000 under the provisions of the Companies Act, 1956. The Company is primarily engaged in providing contract research and development services and in manufacturing of pharmaceuticals goods to global Pharmaceutical and Biotechnology companies. The Company's headquarter is located at 28 A, IDA Nacharam, Hyderabad, Telangana 500076, India.

Pursuant to the resolution passed by the Directors of the Company on 25 January 2023 and approved by the shareholders at the extraordinary general meeting held on 27 January 2023, the Company has been converted from a Private Limited Company to a Public Limited Company and the Company ceased to be Private company as per Section 14 of the Companies Act, 2013. The Company has obtained a fresh certificate of incorporation dated 28 March 2023 consequent upon conversion of the Company from the Registrar of Companies, Ministry of Corporate Affairs. During the year ended 31 March 2022, the Company had issued on a private placement basis 2,000 secured, redeemable, non-convertible debentures ('NCD') having face value of INR 1,000,000 each. These NCD's were listed on BSE Limited. The Company has redeemed these debentures during the year ended 31 March 2025.

1. Basis of Preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 ('the Rules') (as amended).

The standalone financial statements are recommended for approval by the Audit Committee on and the Board of Directors of the Company at their meetings held on 28 May 2025.

(b) Basis of measurement

The standalone financial statements have been prepared under the historical cost basis, except for the following items, which are measured on alternate basis on each reporting date:

Item Basis	Measurement
Derivative Financial instruments	Fair Value
Net defined benefit (asset)/ liability	Fair Value
Equity securities at FVTPL	Fair Value

(c) Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

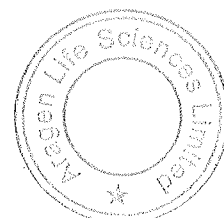
A liability is current when:

- it is expected to be settled in normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company's normal operating cycle is twelve months.



(d) Foreign currencies:

The Company's financial statements are presented in Indian Rupees (₹), which is also the company's functional currency.

All the amounts have been rounded to the nearest millions.

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported at year-end rates. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Exchange differences

Exchange differences arising on the settlement of foreign currency monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

(e) Fair value measurement:

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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the revised 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 changes that have occurred between levels in the hierarchy during the year, the Company re-assesses categorization at the end of each reporting period.

2. Material Accounting policies

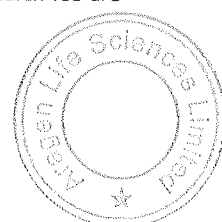
(a) Revenue from contracts with customers

Contract research services and Pharmaceutical Products Sales

The Company derives revenues primarily from Contract research services and Pharmaceutical Products Sales. Revenue is recognized upon transfer of control of promised services or compounds to customers in an amount that reflects the consideration we expect to receive in exchange for those services or compounds.

Arrangement with customers for Contract research services and pharmaceutical products sales are either on a time-and-material basis, fixed price or on a sale of compounds.

In respect of contracts involving research services, in case of 'time and materials' contracts, contract research fee are recognized as services are rendered, in accordance with the terms of the contracts.



Aragen Life Sciences Limited (formerly known as Aragen Life Sciences Private Limited)
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

Revenues relating to fixed price contracts are recognized based on the percentage of completion method determined based on efforts expended as a proportion to total estimated efforts. The Company monitors estimates of total contract revenue and cost on a routine basis throughout the contract period. The cumulative impact of any change in estimates of the contract revenue or costs is reflected in the period in which the changes become known. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss.

In respect of contracts involving sale of compounds arising out of contract research, revenue is recognized when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods and services to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the delivery and acceptance terms agreed with the customers. Revenue is measured based on the transaction price, which is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of government such as goods and services tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

The consideration received by the Company in exchange for its goods may be fixed or variable. Variable consideration is only recognized when it is considered highly probable that a significant revenue reversal will not occur once the underlying uncertainty related to variable consideration is subsequently resolved.

At contract inception, since for most of the contracts it is expected that the period between the transfer of the promised goods or services to a customer and payment for these goods or services by the customer will be one year or less, practical expedient in Ind AS 115 have been applied and accordingly the Company does not adjust the promised amount of consideration for the effects of any significant financing component.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liabilities are recognized when the customer pays consideration before the Company transfers goods or services to the customer on receipt of payment.

ii) Dividends

Dividend income is recognized when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

iii) Preference Dividends

The Company derives Dividend income from Preferences shares of Aragen Biologics Private Limited (Subsidiary company), this dividend is recognized using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Dividend income is included under the head "other income" in the statement of profit and loss.

iv) Interest Income

Interest income is recognized using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the head "other income" in the statement of profit and loss.

(b) Taxes

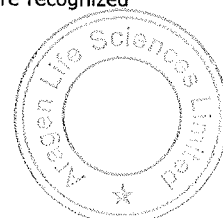
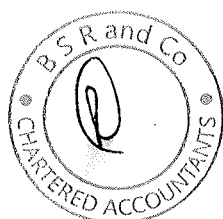
Tax expense comprises of current and deferred tax.

Current income tax

Income tax expense is recognized in statement of profit and loss except to the extent that it relates to an item recognized directly in equity in which case it is recognized in other comprehensive income. Current income tax for current year and prior periods is recognized at the amount expected to be paid or recovered from the tax authorities, using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Provision for income tax includes the impact of provisions established for uncertain income tax positions. Tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences.



Aragen Life Sciences Limited (formerly known as Aragen Life Sciences Private Limited)
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that future 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 utilized.

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 future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax is recognized in statement of profit and loss except to the extent that it relates to an item recognized directly in equity in which case it is recognized in other comprehensive income. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Property, plant and equipment

Property, plant and equipment (including capital work-in-progress) are stated at cost less accumulated depreciation, impairment losses and specific grant/subsidies, if any. Cost comprises of purchase price, freight, non-refundable taxes and duties, specified foreign exchange gains or losses and any other cost attributable to bring the asset to its working condition for its intended use. Expenditure directly relating to construction activity is capitalized. Indirect expenditure is capitalized to the extent those relate to the construction activity or is incidental thereto. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

The Company adopted cost model as its accounting policy, in recognition of the property, plant and equipment and recognizes transaction value as the cost.

Direct expenditure incurred and other attributable costs on projects under implementation are treated as unallocated capital expenditure pending allocation to the assets and under construction or in the process of installation are termed as Capital work-in-progress and shown at cost in the Balance Sheet.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

Gain or losses arising from derecognition of a fixed asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Transition to Ind AS

The cost property, plant and equipment at 1 April 2015, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Borrowing costs

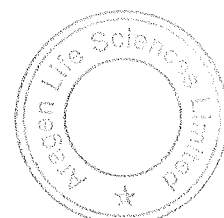
Borrowing costs that are attributable to the acquisition and construction of qualifying assets are capitalized as part of cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. All other borrowing costs are recognized in statement of profit and loss as incurred.

Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is provided on straight-line method over their estimated useful lives as estimated by the management. Depreciation on additions/(disposals) is provided on a pro-rata basis i.e., from/ (up to) the date on which asset is ready for use/ (disposed off). Management has assessed the useful life of its laboratory equipment on the basis of technical expert advice and past experience in the industry. The details of useful lives as assessed by the management and as prescribed in the Schedule II of The Companies Act, 2013 is as follows.

Particulars	Management estimate (No. of years)	Schedule II (No. of years)
Buildings (Including Roads)	10- 30 Years	10- 30 Years
Laboratory equipment	1-9 Years	10 Years
Plant and machinery	20 Years	20 Years
Computer and related equipment	3 - 4 Years	3 - 6 Years
Office equipment	5 - 10 Years	5 - 10 Years
Furniture and fixtures	10 Years	10 Years
Vehicles	8 Years	8 Years

Leasehold improvements are depreciated on straight-line method over the balance lease period or the useful lives as determined by management, whichever is lower.



Aragen Life Sciences Limited (formerly known as Aragen Life Sciences Private Limited)
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

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

(d) Intangible assets

Software licenses including computer software

Intangible assets in the nature of software licenses are measured on initial recognition at cost including expenditure incurred towards implementation of such software. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit or Loss when the asset is derecognized.

Amortization

Intangible assets are amortized on a straight-line basis over the estimated useful economic life. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the Company amortizes the intangible asset over the best estimate of its useful life.

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

(e) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
 - the Company has the right to operate the asset; or
 - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 1 April 2019.

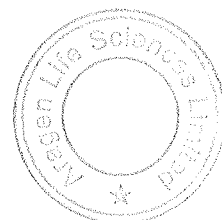
At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

As a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.



Aragen Life Sciences Limited (formerly known as Aragen Life Sciences Private Limited)
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets and lease liabilities separately in the Balance sheet.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets.

As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for a major part of the economic life of the asset.

The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

(f) Inventories

Inventories comprise of raw material, chemicals, consumables, reagents, work-in-progress, finished goods and stores and spares. Raw material in the nature of chemicals, stores and spares and other consumables are carried at cost. Cost includes purchase price, duties and taxes (other than those subsequently recoverable by the Company from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. The material cost is determined under weighted average method. The carrying cost of chemicals, stores and spares and other consumables are appropriately written down when there is a decline in replacement cost of such materials and final services in which they will be incorporated are expected to be sold below cost.

Cost of work-in-progress and finished goods includes cost of material consumed, labor and manufacturing overheads.

Finished goods and work-in-progress are valued at cost or net realizable value, whichever is lower.

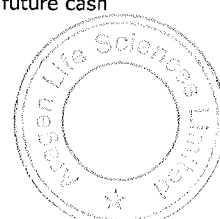
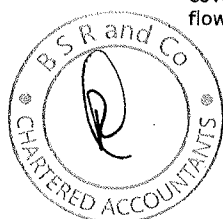
Net realizable value is the estimated selling price of inventories less all the estimated costs of completion and the costs necessary to make the sale.

The comparison of cost and net realizable value is made on an item-by-Item basis.

(g) Impairment of non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are 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 asset or CGU. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.



Aragen Life Sciences Limited (formerly known as Aragen Life Sciences Private Limited)
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses of continuing operations are recognized in the statement of profit and loss.

(h) Contingent liabilities and Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event i.e., it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure of the contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.

Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the company recognizes any impairment loss on the assets associated with that contract.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

(i) Retirement and other employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized 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 obligation can be estimated reliably.

Defined contribution plans

The Company's contribution towards employee provident fund to Government administered provident fund scheme is considered as a defined contribution plan and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered Provident Fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Defined benefit plans

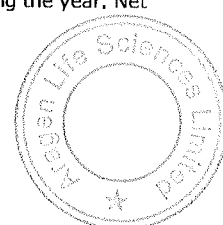
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Gratuity

For defined benefit plans in the form of gratuity fund, 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. The contributions made to the fund are recognized as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognized in the Balance Sheet. Re-measurements are recognized in the other comprehensive income, net of tax in the year in which they arise.

When the calculation results in a potential asset for the company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprises actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.



Aragen Life Sciences Limited (formerly known as Aragen Life Sciences Private Limited)
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets, if any out of which the obligations are expected to be settled. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur.

(j) Share based payments

The Company measures compensation cost relating to share-based payments using the fair valuation method in accordance with Ind AS 102 (Share Based Payment). Compensation expense is amortized over the vesting period of the option on a straight-line basis. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model (Black-Scholes valuation model). That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

(k) Financial instruments

A. Financial assets

Initial recognition and measurement

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. Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instruments.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liabilities is initially measured at fair value plus or minus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

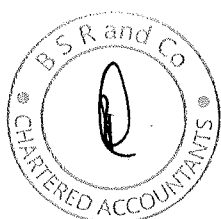
Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments
- Equity instruments

Debt instruments

A 'debt instrument' is measured at the amortized 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. This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the Statement of Profit or Loss. The losses arising from impairment are recognized in the Statement of Profit or Loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 9.



Aragen Life Sciences Limited (formerly known as Aragen Life Sciences Private Limited)
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable. The Company has made investment in equity instruments of its subsidiaries, the same has been accounted for at cost in accordance with Ind AS 27.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- 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 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 recognize the transferred asset to the extent of the Company's continuing involvement.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in statement of profit and loss.

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in OCI and accumulated in other equity under 'effective portion of cash flow hedges. The effective portion of changes in the fair value of the derivative that is recognized in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in statement of profit and loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to statement of profit and loss.

Impairment of financial assets

The Company recognizes 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



Aragen Life Sciences Limited (formerly known as Aragen Life Sciences Private Limited)
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

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 recognized as an impairment gain or loss in the standalone statement of profit and loss.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. Further, the Company estimates full provision for all the amounts which the management estimates that they are not recoverable.

The ECL loss allowance (or reversal) during the year is recognized in the standalone statement of profit and loss.

B. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognized in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some of all the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates. Amortized 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 amortization is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings. For more information, refer Note 14.

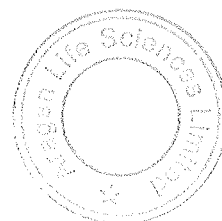
Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

As guarantees in relation to loans and other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognized as part of the cost of the investment.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.



Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognized in the statement of profit and loss.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

(l) Treasury shares:

The Company has created a Aragen Employees Welfare Trust (formerly GVK Bio Employees Welfare Trust) ("Trust") for providing share-based payment to its employees. The company uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the company from the employees, for

future grants to employees in pursuant to the Employee Stock Option Scheme. The company treats the Trust as its extension and shares held by the Trust are treated as treasury shares. Those equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity of the Company. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in reserve. Share options exercised during the reporting period are satisfied with treasury shares.

(m) Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(n) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments.

Non-current investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments. Current investments are carried at lower of cost and fair value determined on individual investment basis.

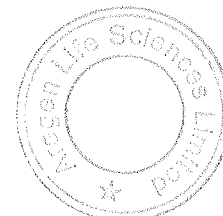
The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

On disposal of investment, difference between net disposal proceeds and carrying amounts are recognized in statement of profit and loss.

(o) Earnings per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per equity share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.



(p) Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(q) Government grants

The Company recognizes Government grants only at their fair value when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Government grants received in relation to assets are recognized as deferred income and amortized over the useful life of such asset. Grants related to income are recognized in statement of profit and loss as other operating revenues or deducted in reporting the related expense based on the terms of the grant, as applicable.

(r) Assets held for sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

(s) Contract Costs

Costs to acquire customer contracts are generally deferred and amortized over the estimated economic life of the contracts, subject to an assessment of the recoverability of such costs. For contracts with an estimated amortization period of less than one year, acquisition costs are expensed immediately.

(t) Investment property and depreciation

Investment property is property held either to earn rental income or for capital appreciation or for both, but for the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost, including related transaction costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment property is derecognized either when it has been disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on disposal on investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

ii) Subsequent Expenditure: Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

iii) Depreciation: Depreciation on Investment Property is provided using the Straight line method based on the useful lives specified in Schedule II to the Companies Act, 2013.

iv) Reclassification from/to investment property: Transfers to (or from) investment property are made only when there is a change in use. Transfers between investment property and owner-occupied property do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

v) Fair value disclosure: The fair value of the investment property is disclosed in the notes.

(u) Use of estimates and judgment

In preparing these standalone financial statements, Management has made judgements, estimates and assumptions that affect the application of Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- refer note 2(e) and 3A – leases: whether an arrangement contains a lease;
- refer note 2(e) and 3A – lease classification.



Aragen Life Sciences Limited (formerly known as Aragen Life Sciences Private Limited)
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

Assumptions and estimation uncertainties

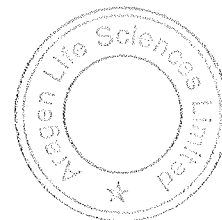
Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Note 2(k) – impairment of financial assets.
- Note 2(g) – impairment test of other assets;
- Note 2(h) – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

- Note 2(b) - recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized;
- Note 2(i) – measurement of defined benefit obligations: key actuarial assumptions;
- Note 2(k) - measurement of ECL allowance for trade receivables and contract assets.

(v) Recent pronouncements

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



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

3 Property, plant and equipment & Capital work-in-progress
(a) Property, plant and equipment

	Land (refer note 1)	Buildings*	Plant & Equipment	Laboratory equipment	Furniture and fixtures	Vehicles	Office equipment	Computer and related equipment	Leasehold improvements	Total
A. Cost or Deemed Cost (Gross carrying amount)										
As at 01 April 2023	151.22	2,645.43	1,626.26	8,035.48	671.30	7.84	1,404.00	334.05	24.06	14,899.64
Additions during the year	60.78	191.28	281.97	647.75	73.95	1.43	165.52	77.97	-	1,500.65
Adjustments/disposals	-	(24.19)	(24.19)	(2.41)	(0.23)	-	(6.48)	(3.77)	-	(37.08)
As at 31 March 2024	212.00	2,836.71	1,884.04	8,680.82	745.02	9.27	1,563.03	408.25	24.06	16,363.21
Additions during the year	-	689.03	691.63	1,037.74	127.66	1.12	361.19	111.06	-	3,019.43
Adjustments/disposals	-	(61.72)	(2.31)	(154.48)	(5.09)	(0.02)	(0.72)	(56.69)	-	(219.31)
Reclassified to Investment property (refer note 3C)	-	-	-	-	-	-	-	-	-	(61.72)
As at 31 March 2025	212.00	3,464.02	2,573.36	9,564.08	867.59	10.37	1,923.50	462.62	24.06	19,101.61
B. Accumulated depreciation										
Up to 31 March 2023	-	456.24	444.63	3,495.72	271.78	2.98	622.61	201.81	20.77	5,516.54
Charge for the year	-	104.38	117.27	996.66	63.83	0.81	158.01	70.99	1.58	1,513.53
Adjustments/disposals	-	-	(24.19)	(1.36)	(0.23)	-	(6.21)	(3.74)	-	(35.72)
Up to 31 March 2024	-	560.62	537.71	4,491.02	335.38	3.79	774.41	269.06	22.35	6,994.35
Charge for the year	-	128.97	136.18	744.98	72.97	1.06	181.64	80.44	0.56	1,346.80
Adjustments/disposals	-	-	(0.78)	(150.45)	(4.99)	(0.02)	(0.72)	(56.65)	-	(213.61)
Reclassified to Investment property (refer note 3C)	-	(0.34)	-	-	-	-	-	-	-	(0.34)
Up to 31 March 2025	-	689.25	673.11	5,085.55	403.36	4.83	955.33	292.85	22.91	8,127.20
Net carrying amount (A-B)	212.00	2,774.77	1,900.25	4,478.53	464.23	5.54	968.17	169.77	1.15	10,974.41
31 March 2024	212.00	2,275.09	1,346.33	4,189.80	409.64	5.48	788.62	139.19	1.71	9,368.86

* Included an amount of ₹61.72 as at 31 March 2024 which were subjected to operating lease given by the Company.

Notes:

(i) Includes Land amounting to ₹ 47.95 (31 March 2024: ₹ 47.95) allotted to the Company pursuant to the agreement for sale of land with Telangana State Industrial Infrastructure Corporation Limited (formerly Andhra Pradesh Industrial Infrastructure Corporation Limited), which is pending registration as at 31 March 2025. Subsequent to 31 March 2025, the aforementioned title deeds of the land has been registered in the name of the Company.

(ii) The Company has not revalued its property, plant and equipment during the current and previous financial year.

(iii) Refer note 14 for the details of property, plant and equipments pledged as security against borrowings during the current and previous financial year.

(iv) Refer note 33 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

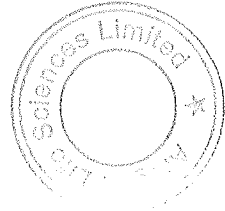
Title deeds of immovable property not held in the name of the Company

Particulars	As at	
	31 March 2025	31 March 2024
Relevant line item in the Balance sheet	Property, plant and Equipment	Land
Description of item of property		
Gross carrying value	47.95	47.95
Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Refer Note (i) above	No
Reason for not being held in the name of the Company	Refer Note (i) above	

(b) Capital work-in-progress:

Capital work-in-progress (CWIP) comprises expenditure for the building, plant and machinery, laboratory and electrical equipment in the course of construction. The balance of CWIP as at 31 March 2025 is ₹1,949.74 (31 March 2024: ₹2,472.08). The balance of expenditure during construction period pending capitalisation as at 31 March 2025 is ₹ 187.08 (31 March 2024: ₹202.09).

Particulars	As at	
	31 March 2025	31 March 2024
Balance at the beginning of the year	2,472.08	1,647.21
Add: Additions during the year	2,636.88	3,435.05
Less: Capitalised during the year	(3,145.64)	(1,633.90)
Less: Transferred to subsidiary company	-	(299.15)
Less: Transferred to Asset held for sale	(13.58)	(192.27)
Less: Reclassified to investment property under development (refer note 3C)	-	(484.86)
Balance at the end of the year	1,949.74	2,472.08



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
 (All amounts in ₹ million, except share data, unless otherwise stated)

3 Property, plant and equipment & Capital work-in-progress

Ageing for capital work-in-progress:

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,011.28	564.21	355.55	18.70	1,949.74
Projects temporarily suspended	-	-	-	-	-
Total	1,011.28	564.21	355.55	18.70	1,949.74

31 March 2024

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,427.72	960.73	39.67	43.96	2,472.08
Projects temporarily suspended	-	-	-	-	-
Total	1,427.72	960.73	39.67	43.96	2,472.08

CWIP Completion schedule for Overdue projects:

	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project 1	580.63	-	-	-	580.63
Project 2	586.59	-	-	-	586.59

31 March 2024

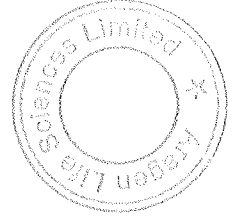
	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project 1	1.40	-	-	-	1.40
Project 2	254.40	-	-	-	254.40

Project execution plans are modulated basis capacity requirement assessment on an annual basis and all the projects are executed as per rolling annual plan.

Capital work-in-progress includes expenditure during the construction period under capitalization:

	As at	
	31 March 2025	31 March 2024
Balance at the beginning of the year	202.09	14.79
Add: Incurred during the year		
Interest expense	136.73	134.35
Consultancy and professional charges	0.83	9.85
Salaries and contract services	-	26.54
Lease rentals	-	0.24
Power and fuel	1.60	10.40
Others	0.73	16.58
Less: Capitalised to property, plant and equipments during the year	(154.90)	(10.67)
Balance at the end of the year	187.08	202.09

Refer note 14 for the details of assets pledged as security against borrowings during the current and previous financial year.



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

3A Right-of-use assets ("ROU Assets")

- (i) The Company's leases majorly comprises of land, buildings, equipments and vehicles. The leases pertains to land run for total period of 66 years, buildings run for a total period of 5 years (with an option to renew the lease after that date), equipments run for a period of 5 to 10 years and vehicles run for a period of 3 to 5 years. All the leases are taken under cancellable and non-cancellable lease agreements. The weighted average incremental borrowing rate of 8.00% p.a. has been applied to lease liabilities recognized in the balance sheet at the date of initial application. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

	Category of ROU Assets					Total
	Land	Buildings	Laboratory equipment	Vehicles	Office equipment	
A. Gross carrying amount						
As at 01 April 2023	203.41	138.00	101.21	51.38	-	494.00
Additions during the year	-	-	219.27	16.19	-	235.45
Adjustments/disposals	-	-	(71.98)	-	-	(71.98)
As at 31 March 2024	203.41	138.00	248.50	67.57	-	657.47
Additions during the year	-	31.79	349.92	5.91	21.60	409.22
Adjustments/disposals	-	(46.04)	(0.59)	(16.43)	-	(63.06)
As at 31 March 2025	203.41	123.75	597.84	57.05	21.60	1,003.64
B. Accumulated depreciation						
Up to 31 March 2023	12.72	90.01	54.86	15.70	-	173.29
Charge for the year	3.22	16.54	36.11	15.63	-	71.50
Adjustments/disposals	-	-	(58.20)	-	-	(58.20)
Up to 31 March 2024	15.94	106.55	32.77	31.33	-	186.59
Charge for the year	3.22	18.25	67.11	17.13	5.40	111.11
Adjustments/disposals	-	(46.04)	-	(11.56)	-	(57.60)
Up to 31 March 2025	19.17	78.76	99.88	36.90	5.40	240.11
Net carrying amount (A-B)						
31 March 2025	184.24	44.99	497.95	20.15	16.20	763.53
31 March 2024	187.47	31.45	215.73	36.24	-	470.88

- (ii) The Company has not revalued any Right-of-use assets after initial recognition, during the current year and previous financial year.
(iii) The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.
(iv) **The movement in lease liabilities during the year ended is as follows:**

	As at	
	31 March 2025	31 March 2024
Balance at the beginning of the year	333.62	184.28
Add: Additions during the year	382.57	235.45
Less: De-recognized during the year	(5.46)	(13.78)
Add: Finance cost accrued during the period	45.23	20.43
Less: Payment of lease liabilities (including interest thereon)	(180.39)	(92.76)
Balance at the end of the year	575.57	333.62

- (v) **The following is the break-up of current and non-current lease liabilities**

	As at	
	31 March 2025	31 March 2024
Current lease liabilities	115.13	86.03
Non-current lease liabilities	460.44	247.59
Total	575.57	333.62

- (vi) **The details of the contractual maturities of lease liabilities as at respective year ended on an undiscounted basis are as follows:**

	As at	
	31 March 2025	31 March 2024
Less than one year	157.36	110.01
One to five years	442.66	214.27
More than five years	381.81	360.94
Total	981.83	685.22

The Company 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.

- (vii) **Amount recognized in the statement of profit and loss:**

	For the year ended	
	31 March 2025	31 March 2024
Interest on lease liabilities	45.23	20.43
Expenses relating to short-term leases	30.88	25.71
Depreciation expense for the year	111.11	71.50
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	-	-
	187.22	117.64

- (vii) **Impact on Statement of Cash Flows**

	For the year ended	
	31 March 2025	31 March 2024
Payment of lease liabilities (including interest)	180.39	92.76
Net cash flows used in financing activities	180.39	92.76



Aragen Life Sciences Limited**Notes to the standalone financial statements for the year ended 31 March 2025**

(All amounts in ₹ million, except share data, unless otherwise stated)

3B Assets held for Sale

During the year ended 31 March 2025, the Company has transferred its 100% stake in Aragen Bioscience, Inc. to its wholly owned subsidiary, i.e. Aragen Biologics Private Limited on 02 July 2024 for a consideration of ₹1,152 million recognizing a gain of INR 195.91 million presented in other income. The same was presented as Assets held for sale as at 31 March 2024.

The Company has not recognised any impairment losses to these assets held for sale since the carrying amounts are not more than the fair value less costs to disposal.

Group of Assets held for sale	As at	
	31 March 2025	31 March 2024
Investment in Aragen Bioscience, Inc. (Refer Note 5)	-	952.74
Capital work in progress I	23.48	103.39
Capital work in progress II	-	83.09
	23.48	1,139.22

3C Investment property under development

	31 March 2025	31 March 2024
Opening balance	484.86	-
Reclassified from CWIP	-	484.86
Addition during the Year	213.50	-
Transfer to Completed Investment property	(101.05)	-
Closing balance	597.31	484.86

Investment Property

	31 March 2025	31 March 2024
Gross carrying amount		
Opening balance	-	-
Additions during the year	101.05	-
Transferred from PPE during the year	61.72	-
Balance at the end of the year	162.77	-
Accumulated amortization		
Opening balance	-	-
Charge for the year	7.58	-
Transferred from PPE during the year	0.34	-
Balance at the end of the year	7.92	-
Net carrying amount	154.85	-

Note: Reclassification of comparative information:

During the year ended 31 March 2025, the Company has re-classified the following comparatives which are primarily to conform to the current year's classification. This reclassification do not have material impact on the Standalone Financial Statements and has been done for better presentation and to enhance the understanding of the users of the Standalone Financial Statements.

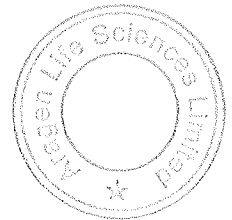
Particulars	Previously reported amounts	Change in amount	Revised Amount
Capital work-in-progress	2,956.94	(484.86)	2,472.08
Investment Property under development	-	484.86	484.86

Ageing for Investment property under development ('IPUD'):**31 March 2025**

Particulars	Amount in IPUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	174.40	251.12	167.26	4.53	597.31
Projects temporarily suspended	-	-	-	-	-
Total	174.40	251.12	167.26	4.53	597.31

31 March 2024

Particulars	Amount in IPUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	313.07	167.26	4.53	-	484.86
Projects temporarily suspended	-	-	-	-	-
Total	313.07	167.26	4.53	-	484.86



IPUD Completion schedule for Overdue projects:

31 March 2025

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project 1	597.31	-	-	-	597.31

31 March 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project 1	484.86	-	-	-	484.86

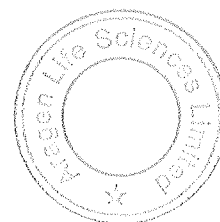
Amount recognized in profit and loss:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Rental income	12.15	1.35

Note: On the basis of consideration of the fact that the investment properties including investment property under development are being constructed during the year ended 31 March 2025 and 31 March 2024, in view of the management, the fair value is expected to approximate the cost value of the asset as at 31 March 2024.

4 Other intangible assets

	Computer Software	Total
Cost or Deemed cost (Gross carrying amount)		
As at 01 April 2023	86.95	86.95
Additions during the year	102.41	102.41
As at 31 March 2024	189.36	189.36
Additions during the year	25.65	25.65
Adjustments/Disposals	(6.55)	(6.55)
As at 31 March 2025	208.46	208.46
Accumulated amortization		
Up to 31 March 2023	58.33	58.33
Charge for the year	22.29	22.29
Up to 31 March 2024	80.62	80.62
Charge for the year	44.88	44.88
Adjustments/Disposals	(6.55)	(6.55)
Up to 31 March 2025	118.95	118.95
Net carrying amount		
Up to 31 March 2025	89.51	89.51
As at 31 March 2024	108.74	108.74



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts in ₹ million, except share data, unless otherwise stated)

5 Investments

	As at	
	31 March 2025	31 March 2024
Unquoted		
Non-current Investments carried at cost		
Investments in equity instruments of subsidiaries		
391,141 (31 March 2024: 391,141) equity shares of €1 each fully paid-up of Aragen Life Sciences B.V., (formerly GVK Biosciences B.V.,) Netherlands	37.42	35.99
Less: Provision for impairment in value of investment	(33.34)	(33.34)
Nil (31 March 2024: 796,000) Series A common stock of \$0.0001 each, fully paid-up of Aragen Bioscience Inc., United States of America. (refer note a)	-	340.60
Nil (31 March 2024: 176,056) Series B common stock of \$0.0001 each, fully paid-up of Aragen Bioscience Inc., United States of America	-	258.36
577,600 (31 March 2024: 577,600) equity shares of ₹ 10 each, fully paid-up of Intox Private Limited	1,583.45	1,582.51
10,000 (31 March 2024: 10,000) equity shares of ₹ 10 each, fully paid-up of Aragen Foundation	0.10	0.10
6,30,00,000 (31 March 2024: 2,00,00,000) equity shares of ₹ 10 each, fully paid-up of Aragen Biologics Private Limited	634.36	200.29
Investments in preference shares of subsidiaries at cost		
Nil (31 March 2024: 725,000) Series A preferred stock of \$0.0001 each, fully paid-up of Aragen Bioscience Inc., United States of America	-	282.59
Nil (31 March 2024: 169,000) Series B preferred stock of \$0.0001 each, fully paid-up of Aragen Bioscience, Inc., United States of America	-	71.19
8,947 (31 March 2024: Nil) 7.5% Cumulative Convertible Preference shares of ₹ 1,00,000 each, fully paid-up of Aragen Biologics Private Limited	894.70	-
8,947 (31 March 2024: Nil) 7.5% Cumulative redeemable Preference shares of ₹ 1,00,000 each, fully paid-up of Aragen Biologics Private Limited	894.70	-
Investments designated at Fair value through profit & loss (FVTPL)		
Investments in equity instruments of other entities		
1,510 (31 March 2024: 1,510) equity shares of ₹1,000 each fully paid-up of Mana Effluent Treatment Private Limited, India	1.51	1.51
51,430 (31 March 2024: 51,430) Equity shares of ₹10 each fully paid-up of Pattancheru Envirotech Limited (held in the name of Dai-Ichi Karkaria Ltd., pending transfer), India.	0.51	0.51
Investments in government securities carried at FVTPL		
National savings certificate	0.01	0.01
	4,013.42	2,740.32
Less: Investments classified as held for sale (Refer note 3B)		
Investments in Aragen Bioscience, Inc., United states of America (Equity and Preference shares)	-	952.74
	4,013.42	1,787.58
Aggregate carrying value of investments		
Quoted investments	-	-
Unquoted investments	4,046.76	1,820.92
Aggregate amount of provision for impairment in value of investments	33.34	33.34

Note :

a. Includes an amount of Nil (31 March 2024: ₹16.80) in Aragen Bioscience, Inc. which is recognised as investment towards financial guarantee provided by the Company for no consideration as at 31 March 2025.

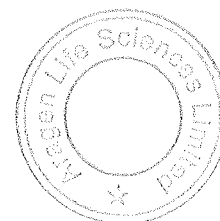
b. Information about the company's exposure to credit risk, market risk and fair value measurement is included in note 29 and note 30.

c. Reconciliation of provision for impairment in value of investment:

Particulars	Amount
Provision for Impairment as on 1 April 2023	33.34
Changes in impairment	-
Provision for Impairment as on 31 March 2024	33.34
Changes in impairment	-
Provision for Impairment as on 31 March 2025	33.34

d. The share of Employee stock compensation expense relating to the employees of subsidiaries are considered as investment in subsidiaries and accordingly included in the carrying value of investments above
The details of the same are as below:

Particulars	As at	
	31 March 2025	31 March 2024
Aragen Bioscience, Inc.	3.42	13.18
Aragen Lifesciences B.V. (formerly GVK Biosciences B.V.)	1.43	2.02
Intox Private Limited	0.93	1.30
Aragen Biologics pvt ltd	4.07	0.29
	9.85	16.80



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

6 Loans

	As at	
	31 March 2025	31 March 2024
Non-current		
(Unsecured, considered good)		
Loans to related parties (refer note i) (refer note 36(c))		
-subsidiaries* (refer note ii)	179.45	-
	179.45	-
	31 March 2025	31 March 2024
Loans considered good - secured	-	-
Loans considered good - unsecured	179.45	-
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	179.45	-
Less: Loss Allowance	-	-
Total Loans	179.45	-

*includes interest accrued amounting to Rs. 9.45 as on 31 March 2025 (31 March 2024: Nil)

- (i) Loans are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be effected by changes in the credit risk of the counter parties.
- (ii) Information about the company's exposure to credit risk, foreign currency risk and fair value measurement is included in note 29 and note 30.
- (iii) Except as reported above, no loans are due by directors or other officer of the Company or any of them either severally or jointly with any other persons or amounts due by firms or private limited Companies respectively in which any director is a partner or a director or a member.
- (iv) Loan to related party represents amount lent to Aragen Biologics Private Limited for onward lending to Aragen Biosciences, Inc for its working capital requirements. These amounts are repayable on demand and carry an interest rate of 8% p.a. payable on a quarterly basis.

(v) Reconciliation of loss allowance

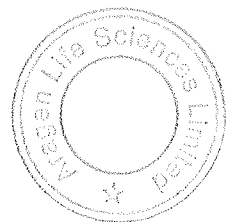
Particulars	Amount
Provision for loss allowance as on 1 April 2023	-
Changes in loss allowance	-
Provision for loss allowance as on 31 March 2024	-
Changes in loss allowance	-
Provision for loss allowance as on 31 March 2025	-

Type of Borrower	As at 31 March 2025		As at 31 March 2024	
	Amount of loan	% to the total loans	Amount of loan	% to the total loans
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties (Subsidiaries)	179.45	100.00	-	-

7 Other financial assets

	As at	
	31 March 2025	31 March 2024
Non-current		
(Unsecured, considered good)		
Security deposits	126.01	101.57
Fixed deposits maturing after 12 months from the balance sheet date	-	23.22
Dividend Receivable - Related parties (refer note 36(c))	73.07	-
	199.08	124.79
Current		
Fixed deposits maturing within 12 months from the balance sheet date	2,082.81	-
Production linked incentive receivable	100.00	-
Foreign exchange forward contracts used for hedging	-	49.87
Contract Assets	42.67	30.72
Other receivables - Related parties (refer note 36(c))	121.87	362.80
	2,347.35	443.39
Total other financial assets	2,546.43	568.18

- (i) Information about the company's exposure to credit risk, foreign currency risk, interest rate risk and fair value measurement is included in note 29 and note 30.



Aragen Life Sciences Limited**Notes to the standalone financial statements for the year ended 31 March 2025**

(All amounts in ₹ million, except share data, unless otherwise stated)

7 Other financial assets (continued)**(ii) Derivative instruments:**

	As at	
	31 March 2025	31 March 2024
Total derivative instruments at fair value through profit and loss	(63.93)	(56.67)
Total derivative instruments at fair value through OCI	(87.64)	49.87

The Company is exposed to exchange rate risk which arises from its foreign exchange revenues and expenses, primarily in U.S. dollars, Great British pound sterling, and Euros, and foreign currency debt in U.S. dollars. The Company uses forward contracts and swap contracts (derivatives) to mitigate its risk of changes in foreign currency exchange rates.

In respect of the aforesaid foreign exchange derivative contracts, the Company has recorded, as part of foreign exchange gains and losses, a net loss of ₹(137.52) for the year ended 31 March 2025 and net gain of ₹ 193.73 for the year ended 31 March 2024.

Hedges of highly probable forecasted transactions

Foreign exchange forward contracts that are designated as cash flow hedges and qualify for hedge accounting are fair valued at each reporting date and the resultant gain or loss is recognised in other comprehensive income under 'Cash flow hedge' in Equity to the extent considered highly effective and are reclassified into the statement of profit & loss upon occurrence of the hedged transactions. Gain or loss on derivative instruments that are either not designated as cash flow hedges or designated as cash flow hedges to the extent considered ineffective is recognised in the statement of profit and loss.

In respect of the aforesaid hedges of highly probable forecasted transactions, the Company has recorded, in reserves and surplus, a net loss of ₹(102.91) for the year ended 31 March 2025 and a net gain of ₹144.97 for the year ended 31 March 2024. The Company has also recorded, as part of revenue, a net gain/(loss) of ₹(41.21) and ₹(87.61) during the year ended 31 March 2025 and 31 March 2024 respectively.

The net carrying amount of the Company's "hedging reserve" was a (loss)/gain of ₹ (65.60) as at 31 March 2025, as compared to ₹37.31 as at 31 March 2024 respectively.

The table below summarises the periods when the forecasted cash flows associated with hedging instruments that are classified as cash flow hedges, are expected to occur:

Particulars	As at	
	31 March 2025	31 March 2024
Cash flows in U.S. Dollars millions (figures in equivalent rupee millions)		
Not later than one month	(9.81)	12.92
Later than one month and not later than three months	(36.01)	12.68
Later than three months and not later than six months	(40.04)	10.80
Later than six months and not later than one year	4.35	13.47
Later than one year	(6.15)	-
Total	(87.64)	49.87

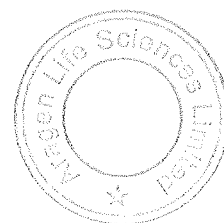
8 Inventories

	As at	
	31 March 2025	31 March 2024
Valued at the lower of cost and net realisable value		
Raw materials, chemicals and consumables*	340.69	227.21
Work-in-progress	288.84	300.37
Finished goods	37.65	14.77
Stores and spares	129.14	148.75
	796.32	691.10

Note:

The management has recorded provision of ₹ 45.63 as at 31 March 2025 (31 March 2024: ₹ 43.17) towards decline in net realisable value and aged stock. The provision expense is included in cost of materials consumed and changes in inventories of work-in-progress and finished goods, to the extent they relate to raw material, work-in-progress and finished goods respectively

Refer Note 14 for details of inventories hypothecated or pledged.



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts in ₹ million, except share data, unless otherwise stated)

9 Trade receivables

	As at	
	31 March 2025	31 March 2024
Unsecured considered good		
- related parties (refer note 36(c))	49.49	81.72
- other parties	3,893.94	3,104.94
	3,943.43	3,186.66
Unsecured considered doubtful		
- related parties (refer note 36(c))	-	-
- other parties	90.78	74.24
	90.78	74.24
Less: Allowance for expected credit loss	(90.78)	(74.24)
Total trade receivables	3,943.43	3,186.66

	31 March 2025	31 March 2024
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	3,943.43	3,186.66
Trade receivables which have significant credit risk	90.78	(0.00)
Trade receivables - credit impaired	-	74.24
Total	4,034.21	3,260.90
Loss allowance	(90.78)	(74.24)
Total trade receivables	3,943.43	3,186.66

- (i) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Trade receivables from related parties includes dues from private companies in which a director is director or a member.
- (ii) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.
- (iii) The company exposure to credit and foreign currency risk and loss allowances related to Trade receivables are disclosed in note 30.
- (iv) Reconciliation of loss allowance:

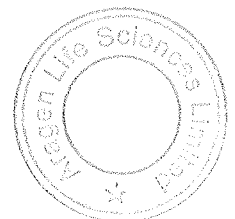
Particulars	Amount
Provision for loss allowance as on 01 April 2023	168.89
Adjustment against bad debts written-off	(87.10)
Provision for expected credit losses/(reversals) during the year	(7.55)
Provision for loss allowance as on 31 March 2024	74.24
Adjustment against bad debts written-off	-
Provision for expected credit losses/(reversals) during the year	16.54
Provision for loss allowance as on 31 March 2025	90.78

Trade Receivables ageing schedule as at 31 March 2025:

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months -1 year	1-2years	2-3years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2,762.94	865.05	32.49	-	-	-	3,660.49
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	45.27	43.34	2.17	90.78
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Unbilled Receivables	-	-	-	-	-	-	282.94
Total	2,762.94	865.05	32.49	45.27	43.34	2.17	4,034.22
Expected Loss Rate	0.00%	0.00%	45.55%	67.31%	100.00%	100.23%	
Loss Allowance	-	-	14.80	30.47	43.34	2.17	90.78

Trade Receivables ageing schedule as at 31 March 2024:

	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months -1 year	1-2years	2-3years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,818.98	1,164.23	16.60	-	-	-	2,999.81
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	19.85	47.42	1.56	5.41	74.24
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Unbilled Receivables	-	-	-	-	-	-	186.85
Total	1,818.98	1,164.23	36.45	47.42	1.56	5.41	3,260.90
Expected Loss Rate	0.05%	0.18%	53.06%	94.60%	100.00%	100.00%	
Loss Allowance	0.92	2.15	19.34	44.86	1.56	5.41	74.24



Aragen Life Sciences Limited**Notes to the standalone financial statements for the year ended 31 March 2025**

(All amounts in ₹ million, except share data, unless otherwise stated)

10 Cash and bank balances

	As at	
	31 March 2025	31 March 2024
A Cash and cash equivalents		
Balances with banks		
- In current accounts*	332.59	186.75
Fixed deposits (Maturity period less than 3 months)	-	790.00
Cash on hand	0.35	0.05
	332.94	976.80
B Bank balances other than (A) above		
Deposits with remaining maturity for less than 12 months	4,041.58	549.89
Margin money deposits with banks (refer note below)	6.34	6.34
Less: Transferred to Other current financial assets	(2,082.81)	-
	1,965.11	556.23

a. Short-term deposits are made for varying periods of between one day and twelve months, depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

As at 31 March 2025, the Company have ₹ 6.34 (31 March 2024: ₹6.34) margin money deposits which are subject to first charge to secure the Company's letter of credit and bank guarantee arrangements.

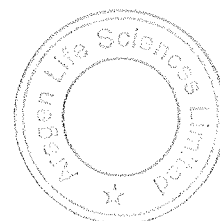
*Includes Funds in transit remitted by Overseas subsidiaries amounting to ₹ 91.71 million, as on 31st March 2025, (31st March 2024 ₹ Nil)

11 Other assets

	As at	
	31 March 2025	31 March 2024
Unsecured, considered good		
Non-current		
Capital advances	37.59	22.88
Contract cost (refer below note (i))	4.31	-
Prepaid expenses	6.97	9.41
Balances with government authorities*	41.59	-
	90.46	32.29
Current		
Advance for expenses	70.22	48.08
Balances with government authorities	594.98	604.48
Prepaid expenses	143.61	139.18
Employee advances	1.81	1.79
Share issue expenses	-	94.23
	810.62	887.76

No other assets are due from directors or other officers of the Company either severally or jointly with any other person.

Note (i): Costs to acquire customer contracts are generally deferred and amortized over the estimated economic life of the contracts, subject to an assessment of the recoverability of such costs. For contracts with an estimated amortization period of less than one year, acquisition costs are expensed immediately. The closing balance of assets recognised from the costs incurred in respect of long term contracts amounts to ₹4.31 as at 31 March 2025 (31 March 2024 - ₹Nil).



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

12 Equity share capital

	31 March 2025		31 March 2024	
	Number	Amount	Number	Amount
Authorized				
Equity shares of ₹10 each	25,00,00,000	2,500.00	25,00,00,000	2,500.00
	25,00,00,000	2,500.00	25,00,00,000	2,500.00
Issued, subscribed and fully paid-up				
Equity shares of ₹10 each	20,44,14,189	2,044.14	20,44,14,189	2,044.14
Add: Shares issued during the year (refer note (e) below)	1,25,76,151	125.76	-	-
	21,69,90,340	2,169.90	20,44,14,189	2,044.14

(a) Reconciliation of equity shares outstanding at the beginning and end of the reporting year

	31 March 2025		31 March 2024	
	Number	Amount	Number	Amount
Balance at the beginning of the year	20,44,14,189	2,044.14	20,44,14,189	2,044.14
Add: Shares issued during the year	1,25,76,151	125.76	-	-
Balance at the end of the year	21,69,90,340	2,169.90	20,44,14,189	2,044.14

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

	31 March 2025		31 March 2024	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹10 each fully paid				
Gunupati Aparna Reddy (as a Trustee of Reddy Investment Trust)	6,68,98,732	30.83%	6,88,95,609	33.70%
Mr. Davinder Singh Brar	4,86,66,474	22.43%	4,96,64,913	24.30%
WSCP VIII (Singapore) Pte. Ltd.	4,68,63,372	21.60%	4,76,05,242	23.29%
Madhubani Investments Private Limited	1,92,30,696	8.86%	1,92,30,696	9.41%
Leo Investment Holdings Pte. Ltd	1,66,05,630	7.65%	-	0.00%
WSCP VIII Emp (Singapore) Pte. Ltd.	84,35,766	3.89%	85,69,308	4.19%
Goldman Sachs Capital Holdings III Pte. Ltd	65,11,984	3.00%	66,15,072	3.24%

(d) Shareholding of promoters/promoters group

	As at 31 March 2025		% Change during the year	As at 31 March 2024	
	No. of Shares	% of total shares		No. of Shares	% of total shares
Mr. Davinder Singh Brar	4,86,66,474	22.43%	-1.87%	4,96,64,913	24.30%
Gunupati Aparna Reddy (as a Trustee of Reddy Investment Trust)	6,68,98,732	30.83%	-2.87%	6,88,95,609	33.70%
Madhubani Investments Private Limited	1,92,30,696	8.86%	-0.55%	1,92,30,696	9.41%

(e) Issue of shares by way of Private Placement

During the year, the company has issued 1,25,76,151 equity shares of face Value ₹10 each to two new investors namely Leo Investment Holdings Pte. Ltd. & Quadria Capital India Fund III by way of private placement. In accordance with Ind AS 32, the costs that are attributable directly to the above transaction have been adjusted against securities premium reserve.

(f) For the period of preceding five years as on the Balance Sheet date, the:

Aggregate number of shares allotted as fully paid up by way of bonus shares - During FY 2022-23 (January 2023) in ratio of 1:2

13,62,76,126

The Company has not issued any bonus shares during the past five years other than those disclosed above.



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

12 Equity Share capital (continued)

(g) Shares reserved for issue under employee stock option scheme (ESOP)

Aragen Employee Stock Option Scheme 2007:

Pursuant to special resolution passed by the members of the Company during their meeting held on the 21 April 2006, the Board of Directors of the Company instituted an Employee Stock Option Plan 'ESOP-2007' with a pool of 450,000 stock options. The said stock options would be granted to the eligible employees, duly identified by the Compensation Committee of the Board of Directors, in various tranches. Each option comprises of one underlying equity share of ₹10 each. The options so granted are subject to progressive vesting over a period of four years from the date of grant on an annual basis in the proportion of 20%, 20%, 30% and 30%, respectively, and can be exercised within a period of 5 years from the date of vesting in the event of Company being listed or the same can be exercised within 5 years from the date of listing or such other early period and such number as determined by Board of Directors of the Company from time to time. Further, the board of directors vide resolution dated 16 March 2017, agreed to issue 3 bonus ESOP's for each ESOP held. Accordingly, adjustments have been made in respect of exercise price and number of ESOP's. Further, the board of directors vide resolution dated 25 January 2023, agreed to issue 2 bonus ESOP's for each ESOP held. Accordingly, adjustments have been made in respect of exercise price and number of ESOP's.

The Company has accounted for employee stock compensation expense using fair value method for options granted at a price lower than the market values.

Changes in number of shares representing stock options outstanding as at 31 March 2025 were as follows:

	31 March 2025			31 March 2024		
	Number of options	Weighted average exercise price ₹	Range of exercise price ₹	Number of options	Weighted average exercise price ₹	Range of exercise price ₹
Outstanding at beginning of the year*	11,25,000	12.72	10.00 to 56.67	11,25,000	12.72	10.00 to 56.67
Granted during the year	-	-	-	-	-	-
Forfeited/lapsed during the year	-	-	-	-	-	-
Exercised during the year	1,28,892	11.47	10.00 to 16.67	-	-	-
Outstanding at end of the year	9,96,108	12.72	10.00 to 56.67	11,25,000	12.72	10.00 to 56.67
Exercisable at the end of the year	9,96,108	12.72	10.00 to 56.67	11,25,000	12.72	10.00 to 56.67

*Adjusted for Bonus issue

Aragen Employee Stock Option Plan 2017:

Pursuant to special resolution passed by the members of the Company during their meeting held on the 24 May 2017, the Board of Directors of the Company instituted an Employee Stock Option Plan 'ESOP-2017' with a pool of 2,000,000 stock options. The said stock options would be granted to the eligible employees, duly identified by the Compensation Committee of the Board of Directors, in various tranches. Each option comprises of one underlying equity share of ₹10 each issued directly by the company or transfer through the trust. The options so granted shall vest within not earlier than one (1) year and not more than four years, and can be exercised in the event of Company being listed or at such times and under other conditions as determined by Board of Directors of the Company set forth in the Grant Letter. The vesting period for the grants during the year are 20%, 25%, 25% and 30%. Further, the board of directors vide resolution dated 25 January 2023, agreed to issue 2 bonus ESOP's for each ESOP held. Accordingly, adjustments have been made in respect of exercise price and number of ESOP's.

Changes in number of shares representing stock options outstanding as at 31 March 2025 were as follows:

	31 March 2025			31 March 2024		
	Number of options	Weighted average exercise price ₹	Range of exercise price ₹	Number of options	Weighted average exercise price ₹	Range of exercise price ₹
Outstanding at beginning of the year*	23,88,207	122.98	78.47 to 234.00	24,07,332	122.98	78.47 to 234.00
Granted during the year	-	-	-	-	-	-
forfeited/lapsed during the year	4,55,115	234.00	132 to 234.00	19,125	-	132 to 234.00
Exercised during the year	69,403	78.47	78.47	-	-	-
Outstanding at end of the year	18,63,689	122.98	78.47 to 234.00	23,88,207	122.98	78.47 to 234.00
Exercisable at the end of the year	17,46,689	141.00	78.47 to 234.00	20,81,307	141.00	78.47 to 234.00

Aragen Employee Stock Option Plan 2022:

Pursuant to special resolution passed by the members of the Company during their meeting held on the 02 December 2022, the Board of Directors of the Company instituted an Employee Stock Option Plan 'ESOP-2022' with a pool of 3,600,000 stock options. The said stock options would be granted to the eligible employees, duly identified by the Board/ Nomination and Remuneration Committee of the Board of Directors, in various tranches. Each option comprises of one underlying equity share of ₹10 each issued directly by the Company or transfer through the Employees Welfare Trust of the Company. The options so granted shall vest within not earlier than one (1) year and not more than four years, and can be exercised in the event of Company being listed or at such times and under other conditions as determined by Board of Directors of the Company set forth in the Grant Letter. The vesting period for the grants during the year is one year from the date of grant.

Changes in number of shares representing stock options outstanding as at 31 March 2025 were as follows:

	31 March 2025			31 March 2024		
	Number of options	Weighted average exercise price ₹	Range of exercise price ₹	Number of options	Weighted average exercise price ₹	Range of exercise price ₹
Outstanding at beginning of the year*	6,66,983	10.00	10.00	3,55,585	10.00	10.00
Granted during the year	5,93,461	10.00	10.00	3,62,240	10.00	10.00
forfeited/lapsed during the year	2,17,207	10.00	10.00	50,842	10.00	10.00
Exercised during the year	-	-	-	-	-	-
Outstanding at end of the year	10,43,237	10.00	10.00	6,66,983	10.00	10.00
Exercisable at the end of the year	4,49,776	10.00	10.00	3,04,743	10.00	10.00

The fair value of options was estimated at the date of grant using the Black-Scholes-Merton method with the following assumptions:

	As at	
	31 March 2025	31 March 2024
Risk free interest rate	6.55%	7.16%
Remaining contractual life	0.84	0.32
Expected life of share options (years)	1 year	1 year
Expected volatility (%)	31.32%	23.06%
Expected dividend yield (%)	0.00%	0.00%

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome. The Management has considered the benchmark with listed Company with similar industry to determine the volatility %.

(h) During the 5 years ended 31 March 2025 (31 March 2024: Nil), the company has not bought back any shares.

(i) During the 5 years ended 31 March 2025 (31 March 2024: Nil) no shares were allotted as fully paid up pursuant to contract without payment being received in cash other than those disclosed in note 12(f).



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

13 Other equity

	As at	
	31 March 2025	31 March 2024
Securities premium		
Balance at the beginning of the year	-	-
Add: Received on Issue of equity shares	6,211.74	-
Less: Utilisation on exercise of ESOP's	(1.15)	-
Less: Utilisation for expenses on Issue of shares	(143.43)	-
Balance at the end of the year	6,067.16	-
Treasury shares		
Balance at the beginning of the year	(146.87)	(146.87)
Less: Shares transferred on exercise of employee stock options	10.56	-
Balance at the end of the year	(136.31)	(146.87)
Capital reserve		
Balance at the beginning and end of the year	(462.02)	(462.02)
Balance at the end of the year	(462.02)	(462.02)
General reserve		
Balance at the beginning and end of the year	-	-
Add: Transfer from Share based payment reserve	17.74	-
Balance at the end of the year	17.74	-
Retained earnings		
Balance at the beginning of the year	11,813.38	10,471.47
Add: Net profit for the year	2,497.36	1,887.66
Add/(Less): Other comprehensive income net of tax	(12.43)	(10.41)
Add: Transfer from Debenture redemption reserve	200.00	-
Less: Dividends paid	(404.03)	(535.34)
Balance at the end of the year	14,094.28	11,813.38
Effective portion of cash flow hedge		
Balance at the beginning of the year	37.31	(107.66)
Add/(Less): Other comprehensive income net of tax	(102.91)	144.97
Balance at the end of the year	(65.60)	37.31
Share based payment reserve		
Balance at the beginning of the year	285.80	173.86
Add: Gross compensation for stock options granted during the year	39.71	95.14
Less: Transfer to securities premium on exercise of options	(2.49)	-
Less: Transfer to general reserves	(17.74)	-
Add: Contribution towards employees of Subsidiary	9.85	16.80
Balance at the end of the year	315.13	285.80
Debenture redemption reserve		
Balance at the beginning of the year	200.00	200.00
Less: Transfer to retained earnings on redemption of NCD's	(200.00)	-
Balance at the end of the year	-	200.00
Total other equity	19,830.38	11,727.60

Nature and purpose of reserves

Securities premium

The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve will be utilised in accordance with the provisions of the Companies act 2013.

Treasury shares

Represents amount advanced to Trust for the equity shares of the Company held by them

Capital reserve

Represents reserve created on merger of Aragen Life Sciences Limited and Inogen Laboratories Private Limited and on merger of GVK Davix Technologies Private Limited.

General reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

Retained earnings

Retained earnings represents the Company's undistributed earnings after taxes.

Effective portion of cash flow hedge

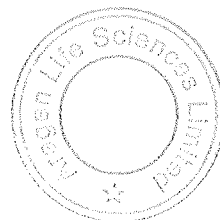
This reserve represents the cumulative effective portion of change in fair value of derivatives that are designated as cash flow hedges. It will be reclassified to Profit and Loss account in accordance with the company's accounting policy.

Share based payment reserve

The share-based payment reserve is used to recognise the value of equity-settled share based payments provided to employees, including key management personnel, as part of their remuneration. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees. In case of lapse of options, the balance is transferred to general reserve.

Debenture redemption reserve

The Company had issued redeemable non-convertible debentures. Accordingly, as per the requirement of the Companies (Share capital and Debentures) Rules, 2014 (as amended), the company had created DRR which was equals to 10% of value of debenture issued out of profits of the company available for payment of dividend. During the year debenture redemption reserve which was created earlier was transferred to retained earnings on repayment of the debentures.



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

13 Other equity (Continued)

(a) Distribution made and proposed

	As at	
	31 March 2025	31 March 2024
Dividend on equity shares declared and paid:		
Final equity dividend for the year ended 31 March 2024: ₹ 2.00 per share (31 March 2023: ₹ 2.65 per share)	404.03	535.34
Total	404.03	535.34
Proposed dividends on equity shares#:		
Proposed final equity dividend for the year ended 31 March 2025: ₹ 2.10 per share (31 March 2024: ₹ 2 per share)	455.68	408.83
	455.68	408.83

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March.

(b) Treasury Shares

	Number of shares	Amount
As at 01 April 2023	(23,98,356)	(146.87)
Add: Shares disposed during the year	-	-
As at 31 March 2024	(23,98,356)	(146.87)
Add: Shares disposed during the year	1,98,295	10.56
As at 31 March 2025	(22,00,061)	(136.31)

14 Borrowings

	As at	
	31 March 2025	31 March 2024
Non-current borrowings		
Secured term loans from Banks		
- Indian rupee (refer note (i))	1,809.38	2,571.88
7.75% Non-convertible Redeemable Debentures (refer note (i))		1,993.77
Less: Current maturities of long-term borrowings	(1,350.00)	(2,756.27)
	459.38	1,809.38
Current borrowings		
Secured loans from banks		
Working capital loans (refer note (ii))	300.00	500.00
Foreign currency packing credit and buyers credit (refer Note (iii))	1,118.97	938.83
Current maturities of long-term borrowings	1,350.00	2,756.27
	2,768.97	4,195.10
Total Borrowings	3,228.35	6,004.48

Note (i)

a) Details of security of long term borrowings:

Nature of Loan	Name of the Bank	Amount as at		Year of Maturity	Security
		31 March 2025	31 March 2024		
Indian Rupee Term Loan	Kotak Mahindra Bank	350.00	431.25	FY 2027-28	Exclusive charge on Property plant & equipment, movable CWIP excluding immovable property at Nacharam and Bangalore facility with minimum asset cover of 1.25x
Indian Rupee Term Loan	Kotak Mahindra Bank	265.63	384.38	FY 2026-27	Exclusive charge on Property plant & equipment, movable CWIP excluding immovable property at Nacharam and Bangalore facility with minimum asset cover of 1.25x
Indian Rupee Term Loan	CITI Bank	218.75	343.75	FY 2026-27	First charge on Property plant & equipment excluding immovable property at Mallapur unit with minimum asset cover of 1.25x
Indian Rupee Term Loan	Kotak Mahindra Bank	225.00	412.50	FY 2025-26	Exclusive charge on Property plant & equipment excluding immovable property at Nacharam facility with minimum asset cover of 1.25x
Indian Rupee Term Loan	Federal Bank	500.00	500.00	FY 2025-26	First charge on Property plant & equipment of the plant located at Mallapur with minimum asset cover of 1.1x
Indian Rupee Term Loan	CITI Bank	250.00	500.00	FY 2025-26	Exclusive charge on Property plant & equipment, movable CWIP excluding immovable property at Nacharam and Bangalore facility with minimum asset cover of 1.25x
Non-convertible Redeemable Debentures*	Issued on Private Placement	-	1,993.77	FY 2024-25	First charge on Property plant & equipment, movable CWIP including immovable property at Mallapur unit with minimum asset cover of 1.25x.

*The entire outstanding balance of borrowings has been repaid during the year ended 31 March 2025.

b) Terms of repayment of long-term borrowings:

	As at	
	31 March 2025	31 March 2024
Within 1 year	1,350.00	2,756.27
1 - 2 years	346.88	1,350.00
2 - 5 years	112.50	459.38
> 5 years	-	-
	1,809.38	4,565.65

c) The foreign currency loans carries an annual interest rate of 1.90% - 5.85% (31 March 2024: 1.90% - 5.85%) and is repayable in quarterly instalments as agreed. Indian Rupee loans carry an annual rate of interest of 7.10% - 8.60% (31 March 2024: 7.00% - 7.95%) and is repayable in quarterly/half yearly/tri-annually instalments as agreed.

Note (ii)

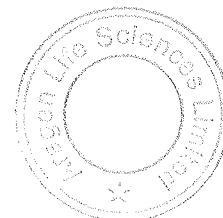
Working capital loans from banks, are secured by: Pari-passu first charge on the current assets of the Company. These loans carry annual interest rate in the range of 7.31% to 7.63% (31 March 2024: 7.65%-7.85%) per annum.

Note (iii)

Foreign currency packing credit and buyers' credit are repayable over a period of three to six months and are secured against first charge on current assets. These loans carry an annual interest rate in the range of 3.30% to 6.86% (31 March 2024: 0.74% to 6.86%) per annum.

Loan covenants

Bank loans contain certain debt covenants relating to limitation on indebtedness, debt equity ratio, net borrowings to Earnings before interest, taxes, depreciation, amortization (EBITDA) ratio, interest service coverage ratio and debt service coverage ratio. The Company has complied with these debt covenants prescribed in the terms of bank loan.



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

14 Borrowings (Continued)

Note (iv)

Reconciliation of liabilities from financing activities

	Liabilities from financing activities				Total
	Non-current borrowings	Current borrowings	Interest accrued*	Leases	
As at 31 March 2023	4,415.73	565.46	75.21	184.28	5,240.68
Cash flows	178.61	872.40	-	(92.76)	958.25
Non-cash flows	(28.69)	0.97	-	(13.78)	(41.50)
Additions to leases	-	-	-	235.45	235.45
Interest expense	-	-	400.03	20.43	420.46
Interest paid	-	-	(385.58)	-	(385.58)
As at 31 March 2024	4,565.65	1,438.83	89.66	333.62	6,427.76
Cash flows	(2,756.27)	(11.38)	-	(180.39)	(2,948.04)
Non-cash flows	-	(8.48)	-	(5.46)	(13.94)
Additions to leases	-	-	-	382.57	382.57
Interest expense	-	-	408.63	45.23	453.86
Interest paid	-	-	(429.48)	-	(429.48)
As at 31 March 2025	1,809.38	1,418.97	68.81	575.57	3,872.73

Note (iv) Sensitivity:

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates

	Change in Rate	Impact on profit after tax	
		31 March 2025	31 March 2024
Foreign currency loans	Increase by 1%	(8.37)	(7.03)
	Decrease by 1%	8.37	7.03
Indian Rupee Loans	Increase by 1%	(15.78)	(37.91)
	Decrease by 1%	15.78	37.91

15 Provisions

	As at	
	31 March 2025	31 March 2024
Non-current		
Provision for employee benefits		
-Gratuity (refer note 23)	300.72	247.24
	300.72	247.24
Current		
Provision for employee benefits		
-Gratuity (refer note 23)	50.13	39.58
-Compensated absences	114.30	96.47
	164.43	136.05

16 Trade payables

	As at	
	31 March 2025	31 March 2024
Trade payables		
- related parties (refer note 36(c))	21.14	44.34
-Total outstanding dues of micro enterprise and small enterprises	231.85	219.06
-Total outstanding dues of creditors other than micro enterprises and small enterprises	1,127.34	860.29
	1,380.33	1,123.69

(a) Trade payables are non-interest bearing and are normally settled on 0-90 day terms.

(b) For terms and conditions with related parties, refer to note 36.

(c) Information about the companies fair value measurement and exposure to foreign currency risks, liquidity risk are included in note 29 and 30 respectively.

Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development Act, 2006 ('MSMED Act')

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2025 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

	As at	
	31 March 2025	31 March 2024
(i) The principal amount and interest due thereon remaining unpaid to supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprise	231.85	219.06
- Interest due on above	0.33	0.61
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	533.83	807.90
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year	3.80	4.48
(v) Interest remaining due and payable in succeeding years, in terms of Section 23 of the MSMED Act, 2006	43.25	39.45



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts in ₹ million, except share data, unless otherwise stated)

Trade payables ageing schedule as at 31 March 2025:

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	103.26	121.26	1.61	1.06	4.66	231.85
(ii) Others	387.46	516.03	3.72	3.17	7.83	918.21
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
(v) Accrued for expenses	-	-	-	-	-	230.26
	490.72	637.29	5.33	4.23	12.49	1,380.32

Trade payables ageing schedule as at 31 March 2024:

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due- Trade Payables	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	100.85	108.39	3.41	0.70	5.71	219.06
(ii) Others	268.92	422.09	3.91	3.03	12.54	710.49
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
(v) Accrued for expenses	-	-	-	-	-	194.14
	369.77	530.48	7.32	3.73	18.25	1,123.69

17 Other financial liabilities

	As at	
	31 March 2025	31 March 2024
Current		
At amortised cost		
Creditors for capital expenditure (refer note a below)	697.97	349.32
Creditors for expenses (refer note a below)	0.05	0.05
Dues to employees	309.98	355.21
Refundable deposits	1.51	1.56
Derivative instruments: (Refer note 7)		
-Foreign exchange forward contracts used for hedging	87.64	-
-Other Foreign exchange forward contracts	63.93	56.67
Interest accrued but not due on borrowings	68.81	89.66
Payable to related parties (refer note 36(c))	92.07	0.82
	1,321.96	853.29

(a) Information about company's exposure to liquidity and currency risk is included in note 30.

18 Other current liabilities

	As at	
	31 March 2025	31 March 2024
Contract liabilities	286.66	322.31
Liability towards Corporate Social Responsibility (refer note 39)	13.85	-
Statutory liabilities	94.69	76.20
Other payables	-	89.09
	395.20	487.60



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

19 Revenue from operations

	For the year ended	
	31 March 2025	31 March 2024
Sale of goods:		
- Pharmaceutical Products Sales	3,276.66	3,232.90
	3,276.66	3,232.90
Revenue from services:		
- Contract research services	13,112.64	11,352.47
Other operating revenues*	132.49	16.71
	16,521.79	14,602.08

* includes revenue from Product linked incentive scheme

Revenues from Contracts with Customers establishes a five-step approach to revenue recognition that includes identifying contracts with customers, identifying performance obligations, determining transaction prices, allocating transaction prices to performance obligations, and recognising revenue when or as performance obligations are satisfied.

In relation to information about the Company's performance obligations in contracts with customers refer note 2(a). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 85.61 (31 March 2024: ₹75.43) out of which 100% is expected to be recognised as revenue in the next year. No consideration from contracts with customers is excluded from the amount mentioned above.

(a) Information about products and services

The Company deals in different types of products and services

	Timing of recognition (Over the period / Point in time)	For the year ended	
		31 March 2025	31 March 2024
Sale of goods	Point in time	3,276.66	3,232.90
Sale of services	Over the period	13,112.64	11,352.47
Total		16,389.30	14,585.37

(b) Contract balances:

	As at	
	31 March 2025	31 March 2024
Trade receivables	3,943.43	3,186.66
Contract Assets	42.67	46.37
Contract liabilities - Customer advances	286.66	322.31
Contract Cost	4.31	-

Disaggregated Revenue Information

	For the year ended	
	31 March 2025	31 March 2024
Revenues from Contract research and sale of goods by geography		
North America	9,706.62	7,848.40
Europe	4,059.73	4,312.13
India	812.93	695.38
Others	1,810.02	1,729.46
	16,389.30	14,585.37
Revenue from other sources		
Other operating revenues	132.49	16.71
Total Revenue from operations	16,521.79	14,602.08

Geographical revenue is allocated based on the location of the customers.

Reconciliation of revenue with contract price

	For the year ended	
	31 March 2025	31 March 2024
Contract price	16,389.30	14,585.37
Less : Discounts	-	-
Revenue from operations	16,389.30	14,585.37

Changes in Contract liabilities - advances from customers

	For the year ended	
	31 March 2025	31 March 2024
Balance at the beginning of the year	322.31	201.39
Movement during the year on account of transactions in Revenue	(35.65)	120.92
Balance at the end of the year	286.66	322.31

The contract liabilities primarily pertains to the advance consideration received from customers. The amount of ₹322.31 included in contract liabilities at 31 March 2024 have been recognised as revenue during the year ended 31 March 2025.

20 Other income

	For the year ended	
	31 March 2025	31 March 2024
Interest income on financial assets measured at amortised cost	152.90	47.86
Liabilities no longer required written back	17.66	19.06
Gain on sale of property, plant and equipment	-	3.99
Other non-operating income	92.52	117.25
Income from financial guarantee	16.03	4.78
Interest income on deposits and loans	12.77	3.31
Dividend Income on Cumulative preference shares	73.07	-
Gain on sale of investments in subsidiary	195.91	-
	560.86	196.25

21 Cost of materials consumed

	For the year ended	
	31 March 2025	31 March 2024
Inventory at the beginning of the year	245.66	283.75
Add: Purchases of raw materials	1,547.23	1,394.35
	1,792.89	1,678.10
Less: Inventory at the end of the year*	245.05	245.66
	1,547.84	1,432.44

* excluding inventory for non-manufacturing activities amounting to ₹95.64.



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

22 (a) Changes in inventories of work-in-progress and finished goods

	For the year ended	
	31 March 2025	31 March 2024
Opening Stock		
Finished goods	14.77	20.59
Work-in-progress	255.88	182.62
Closing Stock*		
Finished goods	37.85	14.77
Work-in-progress	288.84	255.88
	(56.04)	(67.44)

(b) Cost of chemicals, reagents and consumables consumed

Cost of chemicals, reagents and consumables consumed	2,853.93	2,207.72
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23 Employee benefits expense

	For the year ended	
	31 March 2025	31 March 2024
Salaries, wages and bonus	3,961.55	3,559.55
Employee stock compensation expenses (refer note 12)	39.71	95.14
Contribution to provident and other funds (note a)	136.29	127.63
Gratuity and compensated absences (note b)	120.27	101.35
Staff welfare expenses	176.26	150.85
	4,434.08	4,034.52

a. Defined contribution plan

During the year ended 31 March 2025, the Company has contributed ₹ 115.88 (31 March 2024: ₹106.69) to provident fund, ₹0.67 (31 March 2024: ₹2.39) towards employee state insurance fund and ₹ 19.74 (31 March 2024: ₹18.55) towards National Pension Scheme.

b. Defined benefit plan

The Company has a defined benefit plan, viz. gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

Changes in present value of defined benefit obligation:

	As at	
	31 March 2025	31 March 2024
Defined benefit obligation at beginning of the year	286.90	232.33
Current service cost	47.49	42.05
Past service cost	-	-
Interest cost	19.15	15.72
Benefits paid and Transfer out	(19.22)	(17.09)
Actuarial (Gain)/loss on obligation	16.57	13.89
Defined benefit obligation at end of the year	350.89	286.90

The fair value of defined benefit plan assets are as follows:

	As at	
	31 March 2025	31 March 2024
Fair Value of Plan Assets at the beginning of the year	0.08	0.10
Add: Contributions during the year	-	-
Add: Interest Income on Plan assets	0.01	0.01
Add: Return on plan assets (excl. interest income)	(0.04)	(0.02)
Less: Benefit refund to be received by the company	-	-
Less: Benefits paid from the plan during the year	-	(0.01)
Fair Value of Plan Assets at the end of the year	0.04	0.08

Reconciliation of present value of obligation and fair value of plan assets

	As at	
	31 March 2025	31 March 2024
Present value of defined benefit obligation	350.89	286.90
Fair value of plan assets at the end of the year	(0.04)	(0.08)
Net liability recognised in the balance sheet	350.85	286.82

Current & Non-current bifurcation of net liability

Current	50.13	39.58
Non-current	300.72	247.24
	350.85	286.82

The amounts recognized in the Statement of Profit and Loss and Other Comprehensive Income are as follows:

	For the year ended	
	31 March 2025	31 March 2024
In Statement of Profit and Loss under "Employee benefits expense"		
Current service cost	47.49	42.05
Past service cost	-	-
Interest cost	19.15	15.72
Return on plan assets	(0.01)	(0.01)
	66.64	57.76
In Statement of Other Comprehensive Income		
Actuarial (gain)/loss	16.57	13.89
Return on Plan Assets(excluding Interest Income)	0.04	0.02
	16.61	13.91
Total	83.25	71.67



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

23 Employee benefits expense (continued)

The assumptions used in accounting for the gratuity plan are set out as below:

	As at	
	31 March 2025	31 March 2024
Discount rate	6.60%	7.17%
Retirement age	60 years	60 years
Salary escalation	8.00%	8.00%
Attrition rate	15% to 20%	15% to 20%
Mortality rate	IALM (2012-14) Ult.	IALM (2012-14) Ult.

The estimates of future salary increase considered in actuarial valuation take account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market. Further, the Company has invested a part of the accrued liability as of 31 March 2025. The Company evaluates these assumptions annually based on its long-term plans of growth and industry standards.

The best estimate contribution for the company during the next year would be ₹50.17 (31 March 2024: ₹39.66).

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 taking into account the inflation, seniority, promotion and other relevant factors.

Plan assets:

The plan assets comprise of debt and equity securities through a scheme of cash contribution for a scheme of insurance taken with Kotak Mahindra Life Insurance Company Ltd. ('Insurer'), which is a qualified insurer. The details of individual category of investments that comprise of the total plan assets have not been provided by the insurer.

Impact on defined benefit obligation

Assumptions	As at	
	31 March 2025	31 March 2024
Sensitivity level		
- Attrition rate : increase by 1 %	Decrease in Defined Benefit obligation	(348.54)
- Attrition rate : decrease by 1 %	Increase in Defined Benefit obligation	(285.18)
- Salary escalation : increase by 1 %	Increase in Defined Benefit obligation	353.36
- Salary escalation : decrease by 1 %	Decrease in Defined Benefit obligation	288.69
- Discount rate : increase by 1 %	Decrease in Defined Benefit obligation	368.81
- Discount rate : decrease by 1 %	Increase in Defined Benefit obligation	301.75
- Mortality rate : increase by 10 %	Decrease in Defined Benefit obligation	(333.87)
- Mortality rate : decrease by 10 %	Increase in Defined Benefit obligation	(272.88)
- Discount rate : decrease by 1 %	Decrease in Defined Benefit obligation	(334.06)
- Mortality rate : increase by 10 %	Increase in Defined Benefit obligation	(273.14)
- Mortality rate : decrease by 10 %	Decrease in Defined Benefit obligation	369.44
	Increase in Defined Benefit obligation	302.06
	Decrease in Defined Benefit obligation	(350.91)
	Increase in Defined Benefit obligation	(286.90)
		286.90

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The weighted average duration of defined benefit obligation is 5.18 years (31 March 2024: 5.19 years)

Maturity profile of defined benefit obligation

	31 March 2025	31 March 2024
Within 1 year	50.17	39.66
2 - 5 years	187.12	157.45
6 - 10 years	145.62	124.76
Above 10 years	136.48	119.83

The Company provides compensated absences benefits to the employees of the Company which can be carried forward to future years. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. During the year ended 31 March 2025, the Company has incurred an expense on compensated absences amounting to ₹53.64 (31 March 2024 ₹44.92). The Company determines the expense for compensated absences basis the actuarial valuation based on the Projected Unit Credit Method.

Code on Social Security, 2020:

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

24 Finance costs

	For the year ended	
	31 March 2025	31 March 2024
Interest expense on financial liabilities measured at amortised cost	255.47	256.00
Interest expense on lease liabilities	45.23	20.43
Other borrowing cost*	15.95	9.68
	316.65	286.11

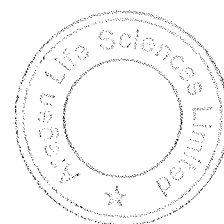
* Exchange difference to the extent considered as an adjustment to borrowing cost.

Note: Interest Capitalised of ₹ 137.20 (31 March 2024: ₹ 134.35).

25 Depreciation and amortisation expense

	31 March 2025	31 March 2024
Depreciation on Property, plant and Equipment (note 3)	1,346.80	1,513.53
Depreciation on Right of use assets (note 3A)	111.11	71.50
Depreciation on Investment property (note 3C)	7.58	-
Amortisation of Intangible assets (note 4)	44.88	22.29
	1,510.38	1,607.32

With effect from 01 July 2024, based on the technical evaluation, the Company has revised the useful life of its Laboratory equipments from existing 7 years to 9 years. Due to change in accounting estimate, the depreciation for year ended 31 March 2025 is lower by ₹258.63 and hence the profit before tax is higher by the said amount.



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

26 Other expenses

	For the year ended	
	31 March 2025	31 March 2024
Direct expenses:		
Job work charges	151.39	121.22
Other direct expenses	54.97	58.53
Indirect expenses:		
Power and fuel	600.11	556.52
Rent	30.88	25.71
Repairs and maintenance		
- Buildings	55.35	52.14
- Machinery	227.20	191.94
- Others	74.94	66.37
Insurance	46.60	45.47
Bank charges	15.27	19.24
Rates and taxes	64.01	45.28
Water charges	37.01	36.04
Communication expenses	10.82	9.09
Office maintenance expenses	195.54	167.92
Travelling and conveyance	115.20	90.82
Consultancy and professional charges	65.19	61.77
Payment to Auditors (refer note a)	5.92	6.79
Corporate social responsibility expenditure (refer note 39)	58.14	53.94
Printing and stationery	8.66	5.18
Freight outwards	115.89	84.86
Effluent treatment charges	62.20	50.26
Contract services	136.06	118.68
Loss allowance/ reversal on Trade receivables	16.54	(7.55)
Trade receivables written off	-	87.10
Less: Reversal of loss allowance	-	(87.10)
Subscription fees	192.20	145.01
Business development expenses	683.09	713.22
Loss on sale of assets	0.67	-
Foreign exchange fluctuations, net	25.87	31.16
IPO Expense write off	94.23	-
Other expenses	42.64	30.86
	3,186.59	2,780.47

(a) Payments to the auditor

	For the year ended	
	31 March 2025	31 March 2024
-As Auditor		
- statutory audit fee (including fees for undertaking limited reviews)	5.92	5.42
- certification	1.37	1.27
-For reimbursement of expenses	0.10	0.10
-For other matters	-	-
	7.39	6.79

Note: The above amounts excludes an amount of ₹ Nil (31 March 2024: ₹0.2) pertaining to the share issue related expenses.

27 Tax expense

A. Tax expense in the statement of profit and loss

	For the year ended	
	31 March 2025	31 March 2024
Current tax	693.72	681.91
Current tax relating to prior years	7.91	(6.01)
Deferred tax expense/(benefit)	90.23	(46.37)
Tax expense reported in the statement of profit or loss	791.86	629.53

Note: Entire deferred income tax relates to origination and reversal of temporary differences. There are no unrecognised deferred tax assets.

Tax expense charged to OCI

	For the year ended	
	31 March 2025	31 March 2024
Tax related to items in OCI during the year:		
Deferred tax impact due to remeasurements of Hedging Contracts	(34.61)	48.76
Current tax impact due to remeasurements of defined benefit plans	(4.18)	(3.50)
Tax expenses/(benefits) recognised in OCI	(38.79)	45.26

Entire deferred income tax relates to origination and reversal of temporary differences.

Reconciliation of effective tax rate

	For the year ended	
	31 March 2025	31 March 2024
Tax expense for the year	791.86	629.53
Profit before tax for the year ended as per statement of profit and loss		
Tax at statutory income tax rate 25.17% (31 March 2024 - 25.17%)	3,289.22	2,517.19
Tax effects of amounts which are not deductible / (taxable) in calculating taxable income	827.83	633.58
Non-deductible expenses for tax purposes	15.59	14.73
Tax incentive and other deductions	(9.25)	(12.73)
Income taxable at different rate	(52.85)	-
Others	2.63	(0.04)
Current tax relating to prior years	7.91	(6.01)
Tax expense for the year	791.86	629.53

B. Non-current tax assets, net

	As at	
	31 March 2025	31 March 2024
Tax assets, (net of provision for tax ₹3,029.12) (31 March 2024 ₹2,227.66) (refer note below)	199.15	198.92
	199.15	198.92

Note: Includes an amount paid under protest of ₹ 38.51 (31 March 2024: ₹ 38.51).



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

27 Income taxes (Continued)

C. Current tax liabilities, net

	As at	
	31 March 2025	31 March 2024
Provision for tax, (net of advance tax ₹ 2,234.09) (31 March 2024 ₹2,366.63)	117.65	78.21
	117.65	78.21

D. Deferred tax assets, net

	As at	
	31 March 2025	31 March 2024
The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities are as follows:		
Deferred income tax liabilities		
Property, plant and equipment	128.06	69.09
Deferred income		
Derivative instruments	(22.05)	12.56
Leases	-	-
Others	21.93	3.54
Financial Guarantee		
Adjustment As a Result of Merger		
	127.94	85.19
Deferred income tax assets		
Property, plant and equipment		
Accrued compensation to employees	117.06	96.46
Derivative instruments	10.36	8.03
Impairment allowance on trade receivables	22.84	18.68
Statutory bonus and Incentives	0.01	25.99
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	9.73	17.49
Leases	5.81	12.65
Others	16.45	11.65
	182.26	190.95
Total Deferred tax (liabilities)/assets, net	54.32	105.76

E. Movement in deferred tax balances as at 31 March 2025

Particulars	Opening balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax liabilities:				
Property, plant and equipment	69.09	58.97		128.06
Derivative instruments	12.56	-	(34.61)	(22.05)
Others	3.54	18.39		21.93
Deferred tax assets:	85.19	77.36	(34.61)	127.94
Accrued compensation to employees	96.46	16.42	4.18	117.06
Derivative instruments	8.03	2.33		10.36
Impairment allowance on trade receivables	18.68	4.16		22.84
Statutory bonus and Incentives	25.99	(25.98)		0.01
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	17.49	(7.76)		9.73
Leases	12.65	(6.84)		5.81
Others	11.65	4.80		16.45
	190.95	(12.87)	4.18	182.26
Deferred tax assets (net)	105.76	(90.23)	38.79	54.32

Movement in deferred tax balances as at 31 March 2024

Particulars	Opening balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax liabilities:				
Property, plant and equipment	95.81	(26.72)		69.09
Derivative instruments	(36.20)	-	48.76	12.56
Others	3.54	-		3.54
Deferred tax assets:	63.15	(26.72)	48.76	85.19
Accrued compensation to employees	74.36	18.60	3.50	96.46
Derivative instruments	29.85	(21.82)		8.03
Impairment allowance on trade receivables	42.51	(23.83)		18.68
Statutory bonus and Incentives	0.02	25.97		25.99
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	18.28	(0.79)		17.49
Leases	2.78	9.87		12.65
Others	-	11.65		11.65
	167.80	19.65	3.50	190.95
Deferred tax assets (net)	104.65	46.37	(45.26)	105.76

28 Earnings per Share (EPS)

Basic EPS amount are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic EPS computations:

	For the year ended	
	31 March 2025	31 March 2024
Profit attributable to equity holders	2,497.36	1,887.66
Weighted average number of equity shares in calculating basic EPS*	20,48,40,898	20,20,15,833
Nominal value per equity share	₹10	₹10
Effect of dilution:		
- Stock options granted under ESOP	30,33,691	29,49,725
Weighted average number of equity shares used in computation of diluted EPS*	20,78,74,589	20,49,65,558

*The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year. There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

Earnings per Share (EPS)	31 March 2025	31 March 2024
Basic	12.19	9.34
Diluted	12.01	9.21



Aragen Life Sciences Limited**Notes to the standalone financial statements for the year ended 31 March 2025**

(All amounts in ₹ million, except share data, unless otherwise stated)

29 Fair value measurements**(i) Breakup of financial assets and financial liabilities carried at amortized cost**

	As at	
	31 March 2025	31 March 2024
Financial assets		
- Investments	4,011.39	1,785.55
- Loans	179.45	-
- Other financial assets	2,546.43	518.31
- Trade receivables	3,943.43	3,186.66
- Cash and cash equivalents	332.94	976.80
- Bank balances other than cash and cash equivalents	1,965.11	556.23
Total	12,978.75	7,023.55
Financial liabilities		
- Non-current Borrowings	459.38	1,809.38
- Lease Liability	575.57	333.62
- Current borrowings	2,768.97	4,195.10
- Trade payables	1,380.33	1,123.69
- Other financial liabilities	1,170.39	796.62
Total	6,354.64	8,258.41

Note: The Company has not disclosed fair values of financial assets and liabilities such as trade receivables, cash and cash equivalents, other financial assets, borrowings, lease liabilities, trade payables and other financial liabilities since their carrying amounts are reasonable approximates of fair values.

(ii) Breakup of financial assets and financial liabilities carried at fair value through profit and loss

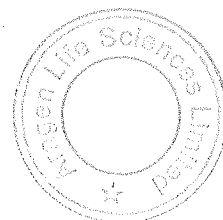
	As at	
	31 March 2025	31 March 2024
Financial Asset		
Investments (other than investment in subsidiaries)	2.03	2.03
Financial Liability		
Derivative Instruments (refer note 17)	63.93	56.67

The Company's principal financial liabilities comprises of borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets includes loans, trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations. The Company also holds FVTPL (Fair value through profit and loss) investments and investments in its subsidiaries.

(iii) Breakup of financial assets and financial liabilities carried at fair value through Other comprehensive income

	As at	
	31 March 2025	31 March 2024
Financial Asset		
Derivative Instruments (refer note 7)	-	49.87
Financial Liability		
Derivative Instruments (refer note 17)	87.64	-

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.



Aragen Life Sciences Limited**Notes to the standalone financial statements for the year ended 31 March 2025**

(All amounts in ₹ million, except share data, unless otherwise stated)

30 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and bank balances that derive directly from its operations and also enters into derivative operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior management provides assurance to the Company's Board that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes should be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk for the Company comprises primarily of foreign currency and interest risk. Financial instruments affected by market risk include trade and other receivables and derivatives. The sensitivity analysis in the following sections relate to the position as at 31 March 2025 and 31 March 2024. The sensitivity analysis has been prepared on the basis that the amount of trade and other receivables in foreign currencies and trade payables, borrowings and investments are all constant and on the basis of hedge designations in place at 31 March 2025.

The following assumptions have been made in calculating the sensitivity analysis:

(1) 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 31 March 2025 and 31 March 2024.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company and the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk relates primarily to the floating interest rate borrowings. The Company's investment in deposits with banks are for short durations and therefore do not expose the Company to significant interest rate risk. Further, the loans extended by the Company carries a fixed interest rate and therefore not subject to interest rate risk since neither the carrying value nor the future cash flows will fluctuate because of the change in market interest rates.

The Company's exposure to changes in interest rates relates primarily to the Company's outstanding floating rate debt. A major portion of foreign currency debt is linked to international interest rate benchmarks like SOFR and LIBOR. The Company also hedges a major portion of these risks by entering into derivative instruments like interest rate swaps and currency swaps and hence is not exposed to significant interest rate risk. Refer note 14(iv) for interest rate sensitivity analysis.

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

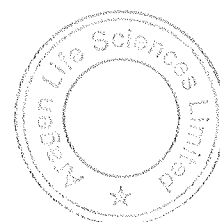
The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12 month period for hedges of forecasted sales and purchases.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The following are the outstanding forward exchange contracts entered into by the Company in foreign currency:

	As at	
	31 March 2025	31 March 2024
Currency forwards (Amount in Foreign currency)		
Foreign exchange forward contracts designated at FVTOCI (Cashflow hedge) (USD in Million)	208.53	196.66
Foreign exchange forward contracts designated at FVTOCI (Cashflow hedge) (₹ in Million) - at MTM	(87.64)	49.87
Foreign exchange forward contracts designated at FVTPL (Interest rate swaps) (USD in Million)	7.56	10.03
Foreign exchange forward contracts designated at FVTPL (Interest rate swaps) (₹ in Million) - at MTM	(63.92)	(56.67)

The currency wise exposure is disclosed in note 38 of the standalone financial statements.



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

30 Financial risk management objectives and policies (Continued)

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in USD, GBP, Euro as mentioned below, with all other variables held constant. The impact on the Company's profit before tax (PBT) is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

Increase/(Decrease) in PBT	For the year ended	
	31 March 2025	31 March 2024
Change in USD rate - 5% increase		
- Effect on PBT and equity	136.71	109.54
Change in USD rate - 5% decrease		
- Effect on PBT and equity	(136.71)	(109.54)
Change in GBP rate - 5% increase		
- Effect on PBT and equity	(0.05)	(0.29)
Change in GBP rate - 5% decrease		
- Effect on PBT and equity	0.05	0.29
Change in Euro rate - 5% increase		
- Effect on PBT and equity	(3.50)	(5.06)
Change in Euro rate - 5% decrease		
- Effect on PBT and equity	3.50	5.06

The movement in the pre-tax effect is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in USD, GBP and Euro, where the functional currency of the entity is a currency other than those currencies. Although the derivatives have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

(ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The carrying amount of the Financial assets represents the maximum credit risk exposure.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The credit period for customers generally ranges between 30 to 90 days. The Company has a policy of providing for all aged receivables basis the Expected Credit Loss method and specific provision on a case to case basis. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's finance team in accordance with the Company's policy. Investments of surplus funds are made only with approved and reputed banks and within credit limits assigned to each bank. The amounts invested and details of relevant banks are reviewed by the Company's Board of directors on annual basis.

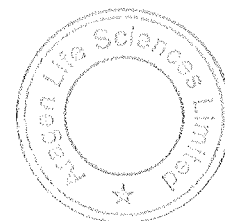
(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, 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 risking damage to the Company's reputation.

The Company has an appropriate liquidity risk management framework for the management of short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company's treasury department is responsible for managing the short-term and long term liquidity requirements of the Company. Short term liquidity situation is reviewed daily by treasury. Long term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

30 Financial risk management objectives and policies (Continued)

The carrying value of the Company's financial liabilities are disclosed in note 3A and note 14, 16 and 17 of the standalone financial statements. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	As at	
	31 March 2025	31 March 2024
On demand		
- Financial guarantee		
Less than 1 year	2,006.18	583.62
- Borrowings		
- Other financial liabilities	2,768.97	4,195.10
- Trade payables	1,321.96	853.29
- Lease liabilities	1,380.33	1,123.69
1 to 2 years	157.36	110.01
- Borrowings		
- Lease liabilities	346.88	1,350.00
2 to 5 years	139.53	139.17
- Borrowings		
- Lease liabilities	112.50	459.38
> 5 years	303.13	75.10
- Lease liabilities		
	381.81	360.94

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Company to manage risk concentrations at both the relationship and industry levels.

Collateral

The Company has pledged part of its short-term deposits in order to fulfil the collateral requirements for the borrowings availed. At 31 March 2025 and 31 March 2024 the fair values of the short-term deposits pledged were ₹ 6.34 and ₹ 6.34 respectively. The counterparties have an obligation to return the securities to the Company. The Company has an obligation to repay the deposit to the counterparties upon settlement of the contracts. There are no other significant terms and conditions associated with the use of collateral.

31 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, issue bonus shares to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company's policy is to keep the gearing ratio in an optimal structure which balances growth and shareholder value. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and bank balances.

	As at	
	31 March 2025	31 March 2024
Borrowings (Note 14)	3,228.35	6,004.48
Trade payables (Note 16)	1,380.33	1,123.69
Other financial liabilities (Note 17)	1,321.96	853.29
Lease liabilities (Note 3A)	575.57	333.62
Less: Cash and bank balances (note 7 and note 10)	(4,380.86)	(1,556.25)
Net debt	2,125.35	6,758.83
Total equity	22,000.28	13,771.74
Total equity	22,000.28	13,771.74
Gearing ratio	0.10	0.49

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no material breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2025 and 31 March 2024.

Hedging activities and derivatives

Derivatives not designated as hedging instruments

The Company uses foreign currency denominated borrowings and foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from one to 12 months.



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
 (All amounts in ₹ million, except share data, unless otherwise stated)

32 Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

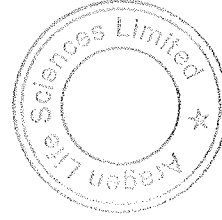
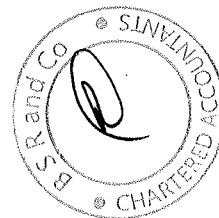
	Date of Valuation	Fair value measurement using			Total
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2025:					
Measured at fair value					
Derivative financial assets / (liabilities) (refer note 7 and note 17)	31 March 2025	-	(151.57)	-	(151.57)
Investments other than investment in subsidiaries (refer note 5)	31 March 2025	0.01	-	2.02	2.03
Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2024:					
Measured at fair value					
Derivative financial assets / (liabilities) (refer note 7 and note 17)	31 March 2024	-	(6.80)	-	(6.80)
Investments other than investment in subsidiaries (refer note 5)	31 March 2024	0.01	-	2.02	2.03

Measurement of fair values:

i. Valuation technique and significant observable inputs
 Derivative assets / liabilities: The fair value is determined using forward exchange rates at the reporting date and present value calculations based on high credit quality yield curve in the respective currencies.

ii. Transfer between Level 1 and 2

There have been no transfers from Level 2 to Level 1 or vice-versa in 2024-25 and no transfers in either direction in 2023-24.



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

33 Commitments

	As at	
	31 March 2025	31 March 2024
Estimated amount of contracts amounting to be executed on capital account and not provided for (net of advances)	1,460.09	866.01
Corporate guarantee extended to subsidiaries	2,006.18	583.62

34 Contingent liabilities

The Company is subject to legal proceedings and claims before various tax authorities, which have arisen in the ordinary course of business. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the claimants or the Company, as the case may be and therefore timing of cash flows cannot be predicted. The Company engages reputed professional advisors wherever required to protect its interests and has been advised that it has strong legal positions against such disputes. The Management believes that it has a reasonable case in its defense of the proceedings and accordingly no further provision is required.

Other matters

	As at	
	31 March 2025	31 March 2024
(a) Income tax matter under dispute	1,203.58	1,230.58
(b) Service tax matter under dispute	1.89	1.89
(c) Central Sales tax matter under dispute	1.45	1.76
(d) Customs matter under dispute	4.27	4.27
(e) Goods and Service tax matter under dispute	281.82	172.11

In addition to the above, the Company has below mentioned claims/contingent liabilities against the Company:

The Company has received a show cause notice challenging classification of R&D services as export of services for the period from 1 April 2006 to 30 June 2017 (tax liability computed by department is ₹2,409.70). The company has submitted its reply disputing department claim and based on merits of the claim and favourable judgements company has not made any provision in the books.

The Company has an ongoing litigation of certain portion of land in Mallapur which the Company has bought from APIIC. The matter is stayed by the High Court until disposal of appeal at the lower court.

35 Operating segments

In accordance with Ind AS 108 - Operating Segments, segment information is disclosed in the consolidated financial statements of the Company and accordingly no separate segment disclosures have been furnished in these standalone financial statements of the Company.

36 Related party disclosures

(a) Name of related parties and nature of relationship

Names of the related parties	Nature of relationship
Aragen Bioscience, Inc.	Step-down Subsidiary Company
Aragen Lifesciences B.V. (formerly GVK Biosciences B.V.)	Wholly-owned Subsidiary Company
Aragen Biologics Private Limited	Wholly-owned Subsidiary Company (w.e.f 21/06/2023)
Aragen Foundation	Wholly-owned Subsidiary Company
Aragen Employees Welfare Trust (formerly GVK Bio Sciences Employees Welfare Trust)	Controlled Trust
Intox Private Limited	Subsidiary Company
Mr. Davinder Singh Brar	Director and Chairman
Mr. G V Sanjay Reddy (till 31.01.2023)	Director and Vice-chairman
Mr. Manmahesh Kantipudi	Whole time Director and Chief Executive officer
Mr. Keshav Gunupati Venkat Reddy	Director
Mr. Adam Richard Dawson (till 30.01.2023)	Director
Mr. Rajat Sood	Director
Mr. Amit varma (w.e.f 09.01.2025)	Director
Mr. Sachin Anand Dharap	Chief Financial Officer
Mr. Ramakrishna Kasturi	Company Secretary
Mr. Ajay Srivastava	Independent Director
Ms. Anita Ramachandran	Independent Director
Mr. Robert Richard Ruffolo	Independent Director
Mr. Gerhard Mayr (till 31.03.2024)	Independent Director
Excelra Inc., (formerly GVK Biosciences Inc.,)	Enterprises owned or significantly influenced by individuals who have control / significant influence over the Company.
Infinity Identity Technologies Private Limited	
Excelra Knowledge Solutions Private Limited	
Madhubani Investments Private Limited	
Reddy Investment Trust	
Taj GVK Hotels and Resorts Limited	
GVK Foundation	
WSCPVIII (Singapore) Pte. Ltd.	
WSCPVIII Emp (Singapore) Pte. Ltd.	
Goldman Sachs Capital Holdings III Pte. Ltd	
Dimensions Corporate Finance Services Private Limited	
Equal Identity Private Limited (formerly Infinity Identity Technologies Pvt Ltd)	



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

36 Related party disclosures (continued)

(b) Transactions with related parties

	For the year ended	
	31 March 2025	31 March 2024
Remuneration of KMPs*		
Short-term employee benefits		
Mr. Manmahesh Kantipudi	95.82	46.28
Mr. Sachin Anand Dharap	62.87	24.97
Mr. Ramakrishna Kasturi	9.56	6.11
Directors remuneration/commission		
Mr. Gerhard Mayr	-	4.74
Mr. Robert Richard Ruffolo	5.43	5.32
Mr. Ajay Srivastava #	4.00	14.00
Ms. Anitha Ramachandran	3.60	3.60
# The above amount includes an amount of ₹ 10 million relating to remuneration towards professional advisory services for FY 2023-24. Nil for FY 2024-25		
Perquisite value		
Mr. Manmahesh Kantipudi (ESOPs)	73.31	-
Mr. Manmahesh Kantipudi (Other Perquisites)	2.58	-
Mr. Sachin Anand Dharap	1.26	-
Directors sitting fee		
Mr. Davinder Singh Brar	0.30	0.25
Mr. Ajay Srivastava	0.35	0.28
Mr. Gerhard Mayr	-	0.35
Mr. Keshav Gunupati Venkat Reddy	0.38	0.25
Mr. Robert Richard Ruffalo	0.33	0.28
Ms. Anitha Ramachandran	0.43	0.38

(b) Transactions with related parties

	For the year ended	
	31 March 2025	31 March 2024
Dividend paid during the year		
Mr. Davinder Singh Brar	99.33	131.61
Aragen Employees Welfare Trust	4.80	6.36
Gunupati Aparna Reddy (as a Trustee of Reddy Investment Trust)	137.79	182.57
Madhubani Investments Private Limited	38.46	50.96
WSCPVIII (Singapore) Pte. Ltd.	95.21	126.15
WSCPVIII Emp (Singapore) Pte. Ltd.	17.14	22.71
Goldman Sachs Capital Holdings III Pte. Ltd	13.23	17.53
WSCPVIII Parallel Intermediary (Singapore) Pte. Ltd.	2.56	3.39
Transactions with step-down subsidiary - Aragen Bioscience, Inc.		
Business Development expenses	487.76	495.55
Revenue from Contract research services	77.59	220.83
Management Services provided	13.23	27.43
Reimbursement of expenses paid	5.43	5.32
Purchase of Equipment	-	17.40
Purchases of chemicals	32.09	22.59
Corporate guarantee income	5.96	4.78
Other Non Operating Income	3.30	0.80
Transactions with subsidiary - Intox Private Limited		
Revenue from contract research services	0.17	-
Reimbursement of expenses received	1.85	3.07
Management Services provided	9.83	10.81
Testing charges paid	6.96	1.75
Transactions with subsidiary -Aragen Biologics Private Limited		
Sale of Fixed Asset	107.54	299.15
Rental Income	12.00	1.00
Reimbursement of expenses	24.46	7.33
Investment in Equity shares of subsidiary	430.00	-
Sale of stake in Aragen Bioscience Inc	1,160.00	-
Conversion of Receivables into Preference shares	399.40	-
Investment in Preference shares of subsidiary	230.00	-
Loan provided to subsidiary	170.00	-
Interest income on loan given	8.01	-
Corporate guarantee extended on behalf of the subsidiary	1,400.00	-
Corporate guarantee income	10.06	-
Dividend income on cumulative preferences shares	73.07	-
Transactions with subsidiary – Aragen Lifesciences B.V.		
Revenue from contract research services	53.05	23.92
Business development expenses	103.01	113.39
Loan repaid by subsidiary		41.08

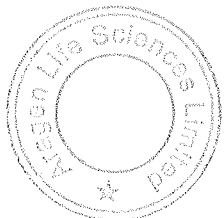
Transactions with entity in which KMP have a significant influence –



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

Excelra Knowledge Solutions Private Limited

Shared services provided	1.23	1.73
Rental Income	-	0.06
Reimbursement of expenses	-	0.02



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

36 Related party disclosures (continued)

Transactions with entity in which KMP have a significant influence – Excelra, Inc.		
Receivable written off	-	15.75
Transactions with entity in which KMP have a significant influence - Dimensions Corporate Finance Services Private Limited		
Consultancy services	3.20	3.00
Reimbursement of expenses paid	0.28	0.11
Transactions with entity in which KMP have a significant influence - Taj GVK Hotels and Resorts Limited		
Hotel expenses	5.23	3.43
Transactions with subsidiary – Aragen Foundation		
Corporate social responsibility expenditure	25.92	79.30
Rental Income	0.15	0.35
Transactions with entity in which KMP have a significant influence - Equal Identity Private limited(formerly Infinity Identity Technologies Pvt Ltd)		
Consultancy Services	2.00	-

* The managerial personnel are covered by the Company's gratuity policy and are eligible for leave encashment along with other employees of the Company. The proportionate amount of gratuity and leave encashment pertaining to the managerial personnel has not been included in the aforementioned disclosures as these are determined on an actuarial basis for the Company as a whole.

(c) Balances receivable/(payable)

	As at	
	31 March 2025	31 March 2024
Trade Receivables		
Excelra Knowledge Solutions Private Limited	1.24	0.03
Aragen Lifesciences B.V.	16.01	6.70
Aragen Bioscience, Inc.	29.62	70.62
Intox Private Limited	2.07	4.03
Aragen Foundation	0.55	0.35
Trade Payables		
Aragen Lifesciences B.V.	(18.98)	(6.74)
Aragen Bioscience, Inc.	(1.99)	(36.99)
Taj GVK Hotels and Resorts Limited	(0.01)	(0.61)
Dimensions Corporate Finance Services Private limited	(0.13)	-
Intox Private Limited	(0.03)	-
Other Financial assets/Other assets		
Aragen Biologics Private Limited	204.39	362.80
Aragen Bioscience, Inc.	14.11	-
Aragen Foundation	-	-
Loans		
Aragen Biologics Private limited	170.00	-
Other financial Liabilities		
Aragen Biologics Private limited	(1.63)	(0.81)
Aragen Lifesciences B.V.	(26.45)	-
Mr. Gerhard Mayr	-	(3.70)
Mr. Ajay Srivastava	(0.05)	-
Mr. Robert Richard Ruffalo	(1.06)	-
Mr. Keshav Gunupati Venkat Reddy	(0.05)	-
Ms. Anita Ramachandran	(0.05)	-
Outstanding corporate guarantees (Refer note 33)		
Aragen Bioscience, Inc. (US\$ 7,000,000 (31 March 2024: US\$7,000,000))	606.18	583.62
Aragen Biologics Private limited	1,400.00	-
Further, The Company has provided support letter to Aragen Bioscience, Inc. to meet its operational requirements.		

(d) Directors' interests in the employee stock option plan

Share options held by the Board of Directors under the employee stock option plan to purchase Equity shares have the following expiry dates and exercise prices:

Grant date	Vesting date	Exercise price	Number outstanding	
			31 March 2025	31 March 2024
7 July 2007	6 July 2011	3.33	6,64,488	7,65,000
1 November 2011	31 October 2015	16.67	1,87,620	2,16,000
1 July 2017	30 June 2021	78.47	6,33,809	6,56,957
1 July 2021	30 June 2022	78.47	1,96,542	1,96,542
30 January 2023	30 January 2024	10.00	85,894	85,894
30 January 2024	30 January 2025	10.00	21,712	75,991
30 January 2025	30 January 2026	10.00	1,15,097	-
Total			19,05,162	19,96,384



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

37 Details of expenditure incurred, Capital and Revenue, in Research and Development is as under:

(a) Capital expenditure

	For the year ended	
	31 March 2025	31 March 2024
Additions to laboratory equipment	-	-

(b) Revenue expenditure (Included under appropriate heads in Statement of Profit and Loss)

	For the year ended	
	31 March 2025	31 March 2024
Cost of material consumed	21.64	28.46
Salaries and wages	18.29	15.92
Chemicals and spares	0.06	0.16
	39.99	44.54

38 Unhedged foreign currency exposure

	As at	
	31 March 2025	31 March 2024
Receivables		
United States Dollar	4,424.11	3,221.04
Euro	77.53	1.29
Canadian Dollar	4.24	3.92
Australian Dollar	12.11	-
Payables		
United States Dollar	1,689.88	1,030.19
Great Britain Pound	1.06	5.71
Euro	147.51	102.43
Swiss Franc	3.67	5.55
Japanese Yen	3.34	1.29
Singapore Dollar	2.13	-

39 Corporate social responsibility expenditure (CSR)

The Company has formulated a Corporate Social Responsibility Committee to undertake the mandatory corporate social responsibility activities in accordance with the provisions of the Act. The details of the amounts spent during the current year are as follows:

	For the year ended	
	31 March 2025	31 March 2024
Expenditure on CSR activities/(Excess Spent):		
Balance unspent CSR amount at the beginning of the year	(12.52)	16.98
(a) Gross amount required to be spent by the Company during the year	58.14	53.94
(b) Amount approved by the Board to be spent during the year	58.14	53.94
(c) Amount spent by the Company during the year (in cash/kind)		
(i) For Construction/acquisition of asset *	27.71	83.44
(ii) For Contribution to Covid related measures	-	-
(iii) Other than (i) & (ii) above	4.06	-
Balance unspent /(Excess spent**) CSR amount in cash at the end of the year	13.85	(12.52)
(d) Reason for unspent amount at the end of year	On-going projects	NA
(e) Amount subsequently transferred to Unspent CSR designated bank account towards ongoing projects	13.85	NA
(f) 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	-	NA
Movement in Provision during the year		
Opening Liability towards CSR	(12.52)	21.51
Expense amount to be incurred	58.14	53.94
Amount spent by the Company during the year (in cash/ Kind)	(31.77)	(87.97)
Closing Liability towards CSR	13.85	(12.52)

* includes an amount of ₹ 25.92 (31 March 2024: 79.3) contributed to a related party, Aragen Foundation in relation to CSR expenditure.

** Company has carry forwarded excess spent CSR expenditure under CSR Rules, 2014 and the same will be set off within the next three financial years.

Nature of CSR activities:

Ensuring environmental sustainability, ecological balance, protection of flora and fauna, conservation of natural resources, skill development in scientific areas and providing emergency medical care and preventive healthcare

40 Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the domestic and international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence before the regulatory timelines, as required by law. The Management is of the view that it has maintained adequate records for compliance with underlying regulations. Accordingly, the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.



Aragen Life Sciences Limited
Notes to the standalone financial statements for the year ended 31 March 2025
(All amounts in ₹ million, except share data, unless otherwise stated)

41 Ratio Analysis

a) Current Ratio = Current Assets divided by Current Liabilities

	31 March 2025	31 March 2024
Current Assets	10,195.77	7,881.86
Current Liabilities	6,263.67	6,959.97
Ratio	1.63	1.13
% variance from previous year	43.74%	

Reason for variance more than 25%:

This is on account of increase in Fixed deposits and increase in working capital loans.

b) Debt Equity ratio = Total debt divided by Total Equity where total debt refers to sum of current & non current borrowings:

	31 March 2025	31 March 2024
Total debt	3,228.35	6,004.48
Total Equity	22,000.28	13,771.74
Ratio	0.15	0.44
% variance from previous year	-66.34%	

Reason for variance more than 25%:

This is on account of repayment of Non convertible debentures and issue of equity shares.

c) Debt Service Coverage Ratio = Earnings available for debt service divided by interest, lease payments and principal repayments of borrowings

	31 March 2025	31 March 2024
Net Profit after tax	2,497.36	1,887.66
Add: Non cash operating expenses and finance cost		
Depreciation and amortization expense	1,510.38	1,607.32
Finance cost	453.38	420.46
Earnings available for debt service	4,461.12	3,915.44
Interest Payments	429.48	385.58
Current lease liabilities	115.13	86.03
Current maturities of long term borrowings	1,350.00	2,756.27
Total Interest and principal repayments	1,894.61	3,227.88
Ratio	2.35	1.21
% variance from previous year	94.12%	

Reason for variance more than 25%:

This is on account of sale of stake in subsidiary, entering into various lease contracts, and repayment of loans.

d) Return on Equity Ratio / Return on Investment Ratio = Net profit after taxes divided by average total equity

	31 March 2025	31 March 2024
Net profit after taxes	2,497.36	1,887.66
Average Total Equity	17,886.01	12,972.33
Ratio	0.14	0.15
% variance from previous year	-4.05%	

Reason for variance more than 25%: Not Applicable

e) Inventory Turnover Ratio = Revenue from operations divided by average inventory

	31 March 2025	31 March 2024
Revenue from operations	16,521.79	14,602.80
Average Inventory	743.71	657.80
Ratio	22.22	22.20
% variance from previous year	0.07%	

Reason for variance more than 25%: Not Applicable

f) Trade Receivables turnover ratio = Net Credit Sales divided by Average Trade Receivables

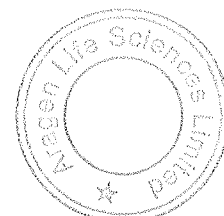
	31 March 2025	31 March 2024
Net Credit Sales	16,521.79	14,602.08
Average Trade Receivables	3,565.05	3,023.29
Ratio	4.63	4.83
% variance from previous year	-4.05%	

Reason for variance more than 25%: Not applicable

g) Trade payables turnover ratio = Net Credit Purchases divided by Average Trade Payables

	31 March 2025	31 March 2024
Net Credit Purchases	4,401.16	3,481.55
Trade Payables excluding accrual for expenses	1,150.06	929.55
Ratio	3.83	3.75
% variance from previous year	2.18%	

Reason for variance more than 25%: Not applicable



Aragen Life Sciences Limited**Notes to the standalone financial statements for the year ended 31 March 2025**

(All amounts in ₹ million, except share data, unless otherwise stated)

41 Ratio Analysis (Continued)

- h) Net capital Turnover Ratio = Net Sales divided by Working Capital where Working Capital= Current Assets - Current Liabilities

	31 March 2025	31 March 2024
Net sales	16,521.79	14,602.08
Working Capital	3,955.58	921.19
Ratio	4.18	15.85
% variance from previous year	-73.65%	

Reason for variance more than 25%:

This is on account of increase in Fixed deposits and increase in Working capital loans.

- i) Net profit ratio = Net profit after taxes divided by Net Sales

	31 March 2025	31 March 2024
Net profit after taxes	2,497.36	1,887.66
Net Sales	16,521.79	14,602.08
Ratio	0.15	0.13
% variance from previous year	16.93%	

Reason for variance more than 25%: Not applicable

- j) Return on Capital employed (pre cash)=Earnings Before Interest and Taxes (EBIT) divided by Capital Employed (pre cash)

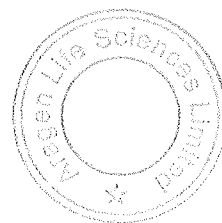
	31 March 2025	31 March 2024
Profit before tax (A)	3,289.22	2,517.19
Finance Costs (B)	316.65	286.11
Other Income (C)	560.86	196.25
EBIT (D) = (A)+(B)-(C)	3,045.01	2,607.05
Capital Employed (Pre Cash) (J)=(E)-(F)-(G)-(H)-(I)	20,922.77	14,542.92
Total Assets (E)	29,484.49	23,035.92
Current Liabilities (F)	6,263.67	6,959.97
Current Investments (G)	-	-
Cash and Cash equivalents (H)	332.94	976.80
Bank balances other than cash and cash equivalents (I)	1,965.11	556.23
Ratio (D)/(J)	0.15	0.18
% variance from previous year	-18.82%	

Reason for variance more than 25%: Not applicable

- k) Return on Investment = Income generated from investments/ Time weighted average investments

	31 March 2025	31 March 2024
Dividend income	73.07	-
Interest income on deposits	151.31	46.59
Interest income on ICD	8.01	-
Total	232.39	46.59
Average Investment in Preference shares	894.70	20.54
Average Bank Deposits	2,702.35	773.29
Average Inter company Deposit	89.73	-
	3,686.77	793.83
Ratio (D)/(J)	0.06	0.06
	0	7.39%

Reason for variance more than 25%: Not applicable



Aragen Life Sciences Limited**Notes to the standalone financial statements for the year ended 31 March 2025**

(All amounts in ₹ million, except share data, unless otherwise stated)

42 Additional regulatory information**(i) Charge registration and satisfaction:**

The Company does not have any charges which are yet to be registered with ROC beyond the statutory period. The Company does not have any satisfaction of charges which are yet to be registered with the ROC beyond the statutory period.

(ii) Struck-off Companies:

The Company has not entered into any transactions with the companies struck-off as per Section 248 or Section 560 of the companies act 2013.

(iii) Benami Property:

There are no proceeding initiated or pending against the Company as at 31 March 2025, under Benami Property Transactions Act, 1988 (as amended in 2016).

(iv) Wilful Defaulter:

The Company is not declared a wilful defaulter by any bank or financial Institution or other lender.

(v) Undisclosed incomes:

The Company has recorded all transactions in the books of account that has been surrendered. There are no previously unrecorded incomes and related assets that were considered during the year, no unrecorded incomes were identified as income for tax assessments.

(vi) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

No funds, except as disclosed below, 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

(a) Date and amount of fund advanced or loaned or invested in Intermediaries with complete details of each Intermediary:

Purpose	Date of Remittance	Name of Intermediary	Amount
For onward lending to Aragen Biosciences, Inc.	29 August 2024	Aragen Biologics Private Limited	170.00

(b) Date and amount of fund further advanced or loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries along with complete details of the ultimate beneficiaries:

Purpose	Date of Remittance	Name of Intermediary	Name of Beneficiary	Amount
Loans extended	29 August 2024	Aragen Biologics Private Limited	Aragen Biosciences, Inc.	170.00

(c) Relevant provisions of the Companies Act have been duly complied.

(vii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.**(viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.****(ix) The Company has borrowings from banks on the basis of security of current assets. Quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.****(x) The Company has used the borrowings from banks for the specific purpose for which it was obtained.****(xi) The Company has not revalued any of its property, plant and equipment (including right-of-use-assets) and intangible assets during the year.****(xii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.**

The notes referred to above form an integral part of these standalone financial statements.

As per our Report of even date attached

For **B S R and Co**

Chartered Accountants

ICAI Firm Registration No: 128510W



R Vivek

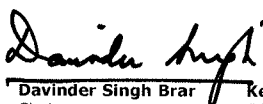
Partner

Membership No. 225161

for and on behalf of the Board of Directors of

Aragen Life Sciences Limited

CIN: U74999TG2000PLC035826



Davinder Singh Brar

Chairman

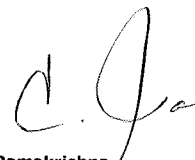
DIN: 00068502



Keshav Gunupati Venkat Reddy

Director

DIN: 06593325



K Ramakrishna

Company Secretary

M.No.: F3865



Sachin Anand Dharap

Chief Financial Officer



Manjushesh Kantipudi

Whole-time Director & Chief Executive Officer

DIN: 05241166

Place: Hyderabad

Date: 30 May 2025

Place: Hyderabad

Date: 28 May 2025