Annual Report 2024-25

aragen

Science with Purpose. Together Ahead.

Aragen Life Sciences Limited

Contents

FY 2024-25 KEY HIGHLIGHTS

Secured $100 million investment from Quadria Capital

Became the first Indian headquartered company to receive Platinum rating from EcoVadis, placing Aragen in the top 1% of companies worldwide for its exemplary sustainability practices

Earned the Great Place to Work Certification for the sixth consecutive year

Science with Purpose. Together Ahead.

At Aragen, science is more than discovery. It is a mission anchored in action. Our theme, "Science with Purpose. Together Ahead.", reflects the spirit of collaboration, innovation, and commitment that defines everything we do.

In a world where the speed of change in life sciences is accelerating, Aragen stands out by combining deep scientific capabilities with real-world impact. Aragen partners with leading companies in the life sciences, animal health and agro-chem industries to accelerate their journey from concept to commercialisation. With deep scientific expertise and a solutions-driven approach, we empower our customers to bring innovative medicines to market faster.

"Together Ahead" highlights the strength of our partnerships with customers, employees, regulators, and communities. We believe that collaboration enables scientific success. That's why we invest in seamless, integrated platforms, global-quality infrastructure, and a culture of excellence to ensure we are not just meeting today's expectations but shaping the breakthroughs of tomorrow.

FY 2024–25 was a year of strategic progress and bold transformation. We launched our Peptide Discovery research facility, continued the investment to expand our state-of-the-art biologics manufacturing facility, advanced several IND programmes, commissioned a Formulations Pilot plant and expanded our commercial manufacturing footprint. Across all verticals, drug discovery, development, and manufacturing, we remained agile, resilient, and focused on our purpose.

As we look ahead, Aragen remains committed to being a partner of choice in the global life sciences ecosystem, accelerating innovation and improving lives. When science is driven by purpose and when we move forward together, the future holds limitless possibilities.

FY 2024-25 KEY HIGHLIGHTS

REVENUE	EBITDA	PROFIT AFTER TAX
₹1,845 crores (11.31% Y-o-Y growth)	₹478 crores (6.4% Y-o-Y growth)	₹180 crores (12.73% Y-o-Y growth)

About Aragen

Aragen Life Sciences Limited (Aragen) is a trusted partner to the global life sciences industry, transforming ideas into solutions that advance health and well-being for humans, animals and plants.

With nearly 25 years of experience, we offer integrated discovery, development, and manufacturing solutions across small molecules and biologics to unlock the potential of our customers' R&D programs. Our global customer base includes large pharmaceutical, biotechnology, agrochemical, crop protection and animal health companies.

From concept to commercial, we deliver global resources and proven capabilities at every stage of the molecule's lifecycle. Be it end-to-end solutions or standalone support for specific programs, our innovation mindset, enabling technologies, and collaborative approach ensures success of every customer project. Our strong team of multidisciplinary scientists, supported by 1.6 million sq. ft. infrastructure spread across 6 global locations, serves customer needs across multiple modalities and therapeutic areas.

At Aragen, we understand that every project, large or small, is vital, time-sensitive, and life-changing. It is this understanding that inspires us to drive every customer programme forward and help them transform hope into health for millions worldwide.

From concept to commercial, we deliver global resources and proven capabilities at every stage of the molecule's lifecycle.

Our Purpose

In every molecule is the possibility for better health.

Our Values

Our values collectively known as ETHICS– guide every decision we make, express what we believe, and define our culture. They are a deeply embedded code of conduct that we live by every day. These values shape how we do what we do for our customers, employees, community, environment and for every stakeholder who places their trust in Aragen.

- **E** — **Empowerment:** Freedom to make a difference.
- **T** — **Teamwork:** One Team. One Purpose.
- **H** — **Honesty & Integrity:** Say what you do. Do what you say.
- **I** — **Innovation:** Unlocking our collective genius.
- **C** — **Customer Focus:** Exceed expectation consistently.
- **S** — **Safety & Compliance:** First and Always.

The Aragen Advantage

Customer at the Center

Whether our customer is a large pharmaceutical company or an emerging biotech, working with small or large molecules, seeking a single service or an end-to-end solution, we place equal efforts and focus on every program. Our commitment ensures a reliable and seamless experience at every step of the program.

Agile Partnerships

Every drug program is unique. We embrace this reality with responsive customer service, scalable solutions, enabling technologies, and a collaborative partnership approach that evolves with our customers' needs.

Innovation Mindset & Empowered Teams

Our innovation mindset, deep scientific expertise, and empowered teams consistently deliver fresh thinking and measurable value for our customers' programs.

Technology-Enabled Platform & Operational Excellence

Proprietary technologies and operational efficiencies allow us to compress development timelines, protect data, and accelerate speed to market ensuring a secure and seamless experience.

Concept to Clinic to Commercial

As an end-to-end partner, we provide scalable, flexible solutions across the biopharma value chain– from concept through commercial production.

Key facts

- **24** YEARS OF EXPERIENCE
- **100+** IND'S FILED VIA ARAGEN CELL LINES
- **06** FACILITIES ACROSS INDIA AND USA
- **400+** CUSTOMERS
- **4,500+** ARAGENITES
- **>60,000** MOLECULES SYNTHESISED ANNUALLY
- **290+** ACTIVE CLINICAL PROGRAMMES

Integrated Drug Development Solutions

At Aragen, we offer a comprehensive suite of end-to-end solutions that span the entire drug development lifecycle from early discovery to commercial manufacturing. With deep scientific expertise, state-of-the-art infrastructure, and a customer-centric approach, our service lines are designed to accelerate a molecule's journey from concept to clinic and beyond.

Our Business Solutions

Small Molecule

DISCOVERY
- Integrated Drug Discovery
- Chemistry
- Biology
- Safety Assessment

DEVELOPMENT & MANUFACTURING
- Drug Substance
- Drug Product
- Analytical Services
- Performance Chemicals
- Custom Chemical Synthesis
- Commercial Manufacturing

Large Molecule

DISCOVERY
- Integrated Discovery
- Biology
- Molecular Biology
- Antibody Discovery
- Protein Sciences
- Cell Line Development

DEVELOPMENT & MANUFACTURING
- Process Research & Development
- Bioproduction
- Development & Analytics
- GMP Manufacturing

Small Molecules

Aragen delivers end-to-end solutions to accelerate every molecule from concept to commercialisation. From milligram scale discovery to large-scale commercial supplies, we drive success across every phase of small molecule programme.

Discovery

Aragen offers both integrated and standalone discovery solutions across all major modalities such as small molecules, peptides, PROTACs, Oligonucleotides and ADCs. Led by senior leadership with global scientific expertise, and supported by multidisciplinary teams of chemists, biologists and toxicologists, we have a proven track record of advancing discovery programmes into the clinic. Balancing productivity with innovation, and working in close collaboration with customers, we rapidly and efficiently generate preclinical candidates to support successful IND filings.

Integrated Drug Discovery

Aragen's Integrated Drug Discovery (AIDD) platform brings together the strength of our in-house drug discovery capabilities, data science and structural biology/crystallography with a strong focus on efficiency, accuracy, and savings. Scope includes target identification and validation, hit identification, hit-to-lead, lead optimization to IND enabling services.

Discovery Chemistry Solutions

We have over two decade experience in diverse chemistries such as Medicinal Chemistry, Synthetic Chemistry, Peptide Chemistry, Oligonucleotides, PROTAC, Specialty Chemistry, Analytical Chemistry etc. Efficiently synthesizing one of the largest number of compounds in a year across the industry, our flexible business models (FTE or FFS) deliver custom solutions with speed and agility.

Discovery Biology

From study design to data interpretation, our biology experts guide discovery programs with scientific rigor and strategic insight ensuring clarity and confidence in the path forward. Our comprehensive in vitro ADME assays and PK studies assist in optimizing drug like properties and oral bioavailability, while in vivo pharmacology models provide proof-of-concept in various therapeutic areas. Three AAALAC approved facilities in India and US deliver customised needs of our customers across different therapy areas like Oncology, Fibrosis, CNS, Cardio-Metabolics, Pain management etc

Safety Assessment

OECD GLP-certified and AAALAC accredited non-clinical safety assessment offering analytical, bioanalytical and toxicological services. Track record of 19,000+ GLP studies conducted for crop protection chemicals, nutraceuticals, industrial chemicals, medical devices, pharmaceuticals and others.

Development and Manufacturing

Aragen offers end-to-end solutions across drug substance, drug product, analytical development, and commercial manufacturing supporting customers through early and late stage development and manufacturing. Our phase-appropriate, integrated approach accelerates candidates to clinic and market. Regulatory accredited facilities and robust quality systems enable the manufacture of KSMs, intermediates, and APIs. We also extend our development capabilities to performance chemicals in agrochemicals and material sciences.

Drug Substance and Custom Chemical Synthesis

Comprehensive capabilities in the development and manufacture of high-quality drug substances across all phases of development. Expertise spans from non-GMP/GMP-grade key starting materials (KSMs) to advanced intermediates and active pharmaceutical ingredients (APIs), available in quantities ranging from kilo laboratory scale to multi metric ton plant scale.

Drug Product

Accelerating time to clinic through specialised expertise in formulation development and scalable manufacturing. We specialise in resolving complex challenges such as solubility, bioavailability, physical form, and stability to enable successful drug product advancement.

Analytical Services

An iterative, continuous improvement approach to ensure developed and validated methods support rapid progress of customer drug candidates. USFDA-approved facility with 21 CFR Part 11 compliant systems maintained under cGMP conditions.

Performance Chemicals

End-to-end development and supply solutions for KSMs and advanced intermediates from kilo lab to commercial scale for agrochemical and material science industries

Commercial Manufacturing

Over 15 years of expertise in API manufacturing, supported by strong process development, validation experience, and successful drug master filings.

Biologics

Aragen delivers high-value solutions for complex biologics projects. With 20+ years of expertise, we optimise yield, reduce timelines, and ensure quality through advanced analytical characterization–making us a trusted partner from ‘gene to GMP’.

Discovery

Aragen has a strong track record in delivering discovery solutions for biologics, backed by deep scientific expertise and efficient project execution. Our customised antibody discovery workflows support both therapeutic and diagnostic applications across oncology, autoimmunity, infectious diseases, and more. We have successfully developed antibodies against diverse targets, including cytoplasmic, secreted, membrane-bound, and anti-idiotype proteins. Our offerings extend beyond hybridoma generation to include protein production, efficacy testing, and cell line development.

Integrated Discovery

End-to-end solutions for complex large molecule programs – from discovery to development, delivered with flexibility, speed, and quality.

Molecular Biology

Wide range of molecular biology services from cloning and plasmid DNA preparation to gene expression analysis, codon optimization, gene synthesis and primer synthesis.

Antibody Discovery

Experience of over a decade in developing hundreds of antibodies and other proteins using industry-leading hybridoma technology platform for use in physical characterization studies, target validation, screening, structural biology research as well as diagnostic and therapeutic products.

Protein Sciences

Experience ranges from producing routine monoclonal antibodies to complex fusion proteins that have been used in many IND-enabling studies.

Cell Line Development

Flexible, efficient, and fully customised CLD service with proficiency across multiple host cell lines including CHO DG44, CHO GS, SP2/0, and NS0; supporting various expression systems such as DHFR, GS, and antibiotic resistance vectors.

Development and Manufacturing

Aragen brings deep scientific expertise to every stage of biologics development and manufacturing–helping customers gain time and cost advantage. Our teams navigate the complexities of upstream, downstream, and analytical development with precision, supported by advanced technologies such as single-use bioreactors and robust cell line platforms. With over 20 years of experience advancing programs to the clinic and market, we leverage parallel processing and focused analytics to reduce risk and accelerate timelines to IND.

Process Development

Accelerating upstream, downstream, and analytical method development with scientific depth. Platform (accelerated) and Customised (comprehensive) approaches for mAbs development; Process Intensification for upstream & downstream processes.

Bioproduction

Driving R&D efficiency with reliable protein and cell reagents.

Developability & Analytics

Comprehensive suite of analytical services, ensuring their biotherapeutic products meet the highest standards of quality, safety, and efficacy. Expertise across a diverse range of biotherapeutics including Monoclonal, bispecific, and multi-specific antibodies, fusion proteins, enzymes, recombinant proteins, antibody drug conjugates (ADCs).

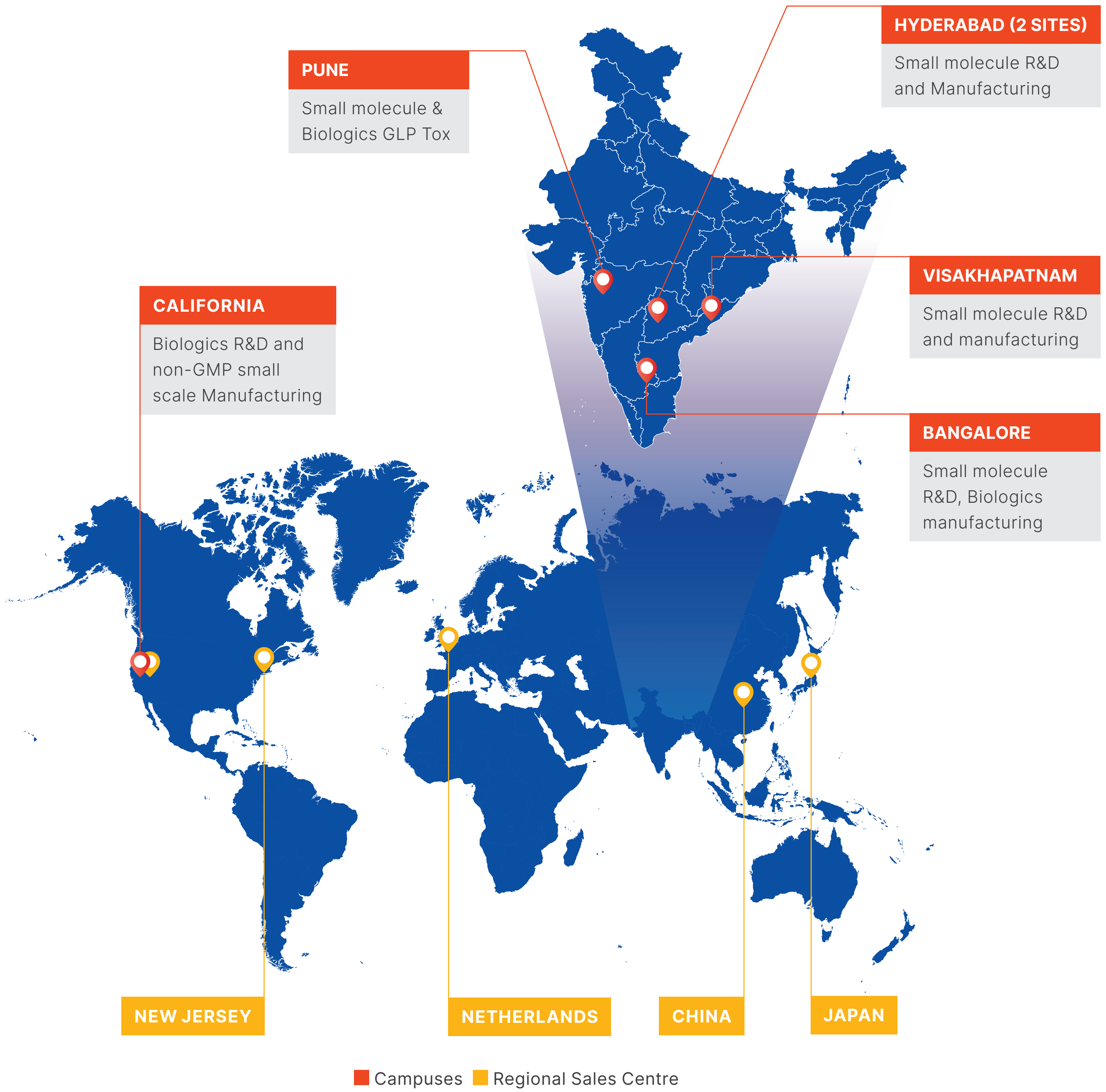
GMP Manufacturing

Single-use multi-product GMP facility for clinical material at 200/500/2000L scale and commercial manufacturing at 2000L scale, with an option to expand to 23,000L scale.

State-of-the-art Infrastructure

Infrastructure addition, expansion and upgradation has been a cornerstone of our growth strategy since inception. Today, we have six operating campuses–five in India and one on the U.S. West Coast, that are the cradle of our innovative and cutting-edge services and solutions. By co-locating R&D laboratories with manufacturing units, we enable seamless technology transfer from feasibility studies through to commercial production.

Our research facilities and systems are certified to ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, and ISO 50001:2018 standards.



Today, we have six operating campuses–five in India and one on the U.S. West Coast, that are the cradle of our innovative and cutting-edge services and solutions.

Type of Campus

Certifications/Accreditations

01 Nacharam, Telangana, India

Discovery R&D

AAALAC(1), ISO 27001, ISO 50001

Small molecule Manufacturing

USFDA, EDQM, PMDA, WHO, CDSCO, ISO

02 Mallapur, Telangana, India

Discovery R&D, Formulations Pilot plant

CDSCO, USFDA, NABL for analytical, ISO 27001, ISO 50001

Analytical Services Lab

03 Bengaluru, Karnataka, India

Discovery R&D, Biologics Manufacturing

AAALAC(1), ISO 27001, ISO 50001, CDSCO

04 Pune, Maharashtra, India

Discovery GLP Safety Assessment

GLP, AAALAC

05 Visakhapatnam, Andhra Pradesh, India(2)

Small molecule Manufacturing

MFDS, DCA, CDSCO, ISO, WHO

06 Morgan Hill, California, USA(3)

Discovery Biologics R&D

AAALAC(1)

(1) The AAALAC accreditation has been obtained for our biology animal unit located in Nacharam, Morgan Hill and Bengaluru.

(2) Facility situated in a Special Economic Zone and held on leasehold basis

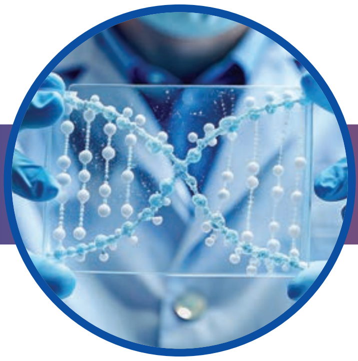
(3) Facility held on leasehold basis

Key Milestones

Since its inception in 2001, Aragen has evolved into a leading, fully integrated R&D and manufacturing partner for the global life sciences industry. From early strides in informatics and chemistry to strategic acquisitions, global expansions, and cutting-edge biologics manufacturing, our journey reflects a commitment to scientific excellence, customer focus, and continuous innovation.

2001-05
Laying the Groundwork

- Founded as GVK Biosciences - an Informatics company in Hyderabad, India by GV Sanjay Reddy
- D S Brar joined as co-founder and Chairman
- Expanded into Chemistry Services
- Initiated Clinical Pharmacology operations
- Laid the foundation for an integrated R&D campus



2006-10
Broadening Capabilities

- Strategic partnership with Wyeth Pharmaceuticals Research for a dedicated facility
- Added Biology Services and Fine Chemical Development to the portfolio
- Inaugurated a dedicated Discovery Chemistry Research Center
- Launched the first Integrated Discovery Program

2011-15
Going Global

- Expanded Discovery Services across new therapeutic areas
- Entered early development and scale-up
- Established India's largest isotope labelling facility in Hyderabad
- Received global regulatory approvals (USFDA, EU, KFDA, PMDA) for manufacturing facilities
- Set up Formulation Development labs in Bengaluru
- Inaugurated the second R&D campus in Mallapur, Hyderabad
- Acquired a US-based preclinical CRO specializing in biologics

2016-20
Deepening Integration

- Opened a third R&D campus in Bengaluru
- Acquired and merged Innogent Laboratories into Aragen
- Commissioned second manufacturing facility in Visakhapatnam
- Spun off informatics business as an independent entity
- Launched India's first mobile app for discovery services
- Set up a Fine Chemical Manufacturing Plant in Hyderabad
- Expanded formulation capabilities in India and biologics labs in the US

2021 till today
Accelerating Impact

- GVK Bio rebranded as Aragen
- Expanded discovery services with a state-of-the-art Compound Management Unit
- Commissioned new R&D facility in Visakhapatnam
- Expanded manufacturing capacity in Vizag with new state-of-the-art block
- Commissioned world-class formulations pilot manufacturing facility in Hyderabad
- Operationalised the first phase of the biologics manufacturing facility in Bengaluru
- Expansion of Lab facility by adding nearly 500000 Sq Ft space
- Commissioned Cell and Protein Sciences Labs in Hyderabad
- Acquired GLP Safety assessment company -Intox
- Goldman Sachs and Quadria Capital came on board as strategic investors
- Received Silver (2023) and Platinum (2024) EcoVadis sustainability medals
- Secured SBTi approval for near-term and net-zero GHG emissions targets
- Achieved Great Place to Work certification for six consecutive years
- Trusted by large number of global big pharma companies

Chairman s Message

A major highlight of FY25 was our investment in expanding biologics capabilities, a segment with enormous growth potential.

DAVINDER SINGH BRAR

Dear Shareholders,

The global life sciences industry stands at an inflection point, with increasing complexities of discovery and development cycles and surging demand for cost-efficient, high-quality solutions at accelerated timelines. India, with its deep scientific talent, proven execution, and global quality standards, is well-positioned to emerge as a CRDMO hub. At Aragen, we see ourselves as a key enabler, offering solutions- both integrated and functional that accelerate programs from discovery to commercialization.

As a leading CRDMO, we continue to strengthen our business foundation, build client partnerships, and expand scientific capabilities and offerings. Our performance in the last financial year reflected resilience and agility in a dynamic global environment, with successful execution of large client programs, capacity expansion in biologics and small molecules, and the building of a stronger reputation as a partner of choice for innovation-driven companies. While volatile macroeconomic conditions, fluctuating biotech funding, and supply-chain disruptions tested us, our strong response to these headwinds underscored the strength of our diversified business model along with the dedication of our people.

In a world marked by geopolitical shifts, changing trade patterns and new trade barriers, geo diversification strategies are reshaping business dynamics. For Aragen, this is both – an opportunity and a responsibility. Our readiness is built on our culture of customer centricity, breadth of scientific capabilities, and investments in future-ready infrastructure. We continue to strengthen resilience in supply chains, regulatory systems, and talent, ensuring reliability for global partners.

Our performance in the last financial year reflected resilience and agility in a dynamic global environment, with successful execution of large client programs, capacity expansion in biologics and small molecules, and the building of a stronger reputation as a partner of choice for innovation-driven companies.

A major highlight of FY25 was investment in expanding our biologics capabilities, a segment with enormous growth potential. We also progressed towards completion of a High Potency API capability facility which will enhance our late phase development and manufacturing capabilities. With advanced technologies, enhanced capacity, and skilled talent, we are positioning Aragen as a global CRDMO leader, delivering differentiated value to clients, providing 'Concept to Clinical' as well as 'Concept to Commercial" services thereby enabling the launch of novel therapies for patients worldwide.

Our people remain central to our success. We invested in leadership development, continuous learning, and employee well-being, while fostering a culture of innovation, collaboration, and inclusivity. Our commitment to Environment, Health, and Safety was reinforced through stronger systems and sustainability initiatives as we continue to remain on track towards our Sustainability Goals. These were recognised by Ecovadis with a Platinum rating placing Aragen in the top 1% companies worldwide for its exemplary sustainability practices. Our CSR programs with deeper engagement in healthcare, education, and the environment, with local communities reflects our philosophy of responsible growth.

The year also marked the induction of Quadria Capital as a strategic partner, with their USD 100 million investment in the company. Their healthcare expertise and long-term vision will support our expansion, particularly in scaling infrastructure and capabilities to meet growing demand from global innovators.

As we enter financial year 2025-26, we will continue to scale innovation-driven offerings, meeting our customers' needs and fortifying client partnerships. Operational excellence and Digital innovation will play an important role as we aim to become more efficient in our operations. Expansion of our Biologics facility as well as Discovery research facilities will support growing demand from our customers. The industry will continue to face both opportunities and uncertainties. Aragen is well-positioned to seize opportunities, address challenges, and create enduring value for our stakeholders. With talented people, integrated capabilities, and strong partnerships, I am confident we will continue to contribute in shaping the future of global drug discovery and development.

Regards,

DAVINDER SINGH BRAR
Chairman

CEO s Message

In FY 2024-25, Aragen achieved revenues of ₹1,845.11 crores, reflecting 11.30% year-on-year growth.

MANNI KANTIPUDI

FY 2024-25 has been a transformative year for Aragen, marked by business growth, scientific innovation, and a renewed focus on delivering integrated solutions across the life sciences value chain. We have further solidified our position as a trusted global partner, advancing our strategic priorities while remaining deeply committed to quality, sustainability, and creating long-term value for all stakeholders.

The global life sciences and pharmaceutical industry continued to evolve, shaped by dynamic healthcare demands, increasing drug development complexity, and a stronger emphasis on speed, specialisation, and supply chain resilience. In this environment, outsourcing—from early discovery to late phase development and commercial manufacturing—has gained momentum, with customers seeking agile, end-to-end partners. Aragen has responded by leveraging its scientific expertise, scalable operations, and operational excellence to address these needs and reinforce its leadership in the sector.

Performance

In FY 2024-25, Aragen achieved revenues of ₹1,845.11 crores, reflecting 11.30% year-on-year growth. This was supported by strong momentum across Discovery, Development and Biologics segments. Notably, revenues from the Top 20 global pharma customers surged significantly. Additional income streams included PLI claims, duty drawback incentives, and interest benefits from recent fundraisers.

Aragen posted an EBITDA of ₹478.47 crores—up 6.40% Y-o-Y. Profit after tax stood at ₹180.38 crores, representing a 12.73% Y-o-Y increase.

We continued to expand the scope of engagement with existing customers and add new customers. Our customer base has a good mix of large pharmaceuticals, biotech, agrochemicals, nutraceuticals and specialty chemicals with no single customer contributing more than 9% of total revenue. This robust spread insulates us from the risk of customer concentration.

Our initiatives align with the UN SDGs and the Science-Based Targets initiative (SBTi), with validated goals of zero landfill by 2025, water neutrality by 2035, and net-zero emissions by 2050

Strengthening innovation and capabilities

Innovation remains at the heart of Aragen's strategy. We have proactively invested in R&D, infrastructure, and new technologies to enhance delivery of high-quality, cost-effective solutions. Significant progress was made in sustainable and continuous manufacturing, capacity expansion, and technology integration. These investments have helped us build a comprehensive, scalable R&D platform capable of supporting customers from early development to commercial production.

We also made notable strides in digital transformation and quality systems. Key milestones included ISO 27001:2022 certification, deployment of tools like eSample and digital signatures, and GenAI training programs.

We are set to begin GMP manufacturing at our new biologics facility in Bangalore by late 2025. With titers >25 g/L from our intensified fed batch platform and flexible 2KL bioreactor setup, the facility will boost our ability to scale rapidly and support multiple customer programs. Combined with our discovery and development services from our Morgan Hill site, this marks a key step in offering seamless, end-to-end biologics development and manufacturing.

Sustainability as strategy

Since inception, sustainability has been embedded into Aragen's core strategy—not just for compliance, but as a business imperative. Our sustainability strategy is anchored on four pillars: Healthy Planet, Healthy Organization, Healthy Workforce, and Healthy Communities. These pillars guide our Environmental, Social, and Governance (ESG) initiatives and reflect our commitment to creating long-term value for all stakeholders. Our initiatives align with the UN SDGs and the Science-Based Targets initiative (SBTi), with validated goals of zero landfill by 2025, water neutrality by 2035, and net-zero emissions by 2050. In FY 2024-25, we sourced 27% of our energy from renewables, adopted green chemistry principles, and made significant reductions in Scope 1, 2, and 3 emissions.

Aragen's commitment was recognised with a Platinum EcoVadis rating, placing us in the top 1% globally, and a CDP water security score improvement from "C" to "A–". We continued to maintain a strong safety record with zero Lost Time Incidents and secured several new safety and compliance certifications. From ethical sourcing and diversity goals to waste management and community impact, sustainability is a strategic advantage driving our future.

Investing in people and culture

Our people continue to be our greatest asset. A culture of scientific curiosity, collaboration, and continuous learning drives our success. We remain committed to talent development, and in FY25, we reinforced this through the launch of the Aragen Academy and strategic additions to senior leadership. Aragen was certified a Great Place to Work for the sixth consecutive year and ranked among the Top 20 Best Workplaces in Pharma—testament to the passion and commitment of our teams.

Looking ahead

As we look ahead, we remain focused on strengthening our integrated capabilities, scaling our presence, and deepening our customer partnerships. We will continue to execute on our strategic vision, ensuring that we remain positioned for sustainable long-term growth and create enduring value for all our stakeholders.

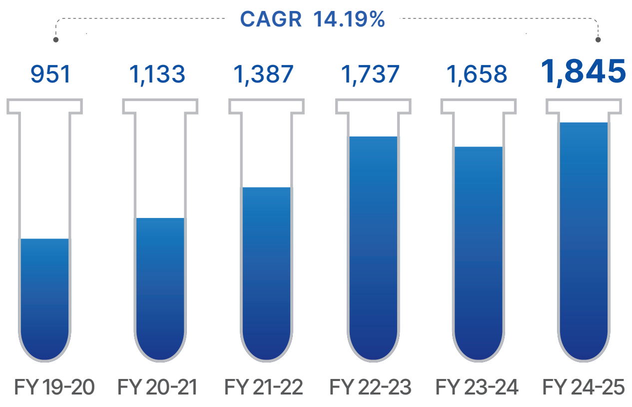
Regards,

MANNI KANTIPUDI
Whole-time Director and CEO

Key Performance Indicators (Consolidated)

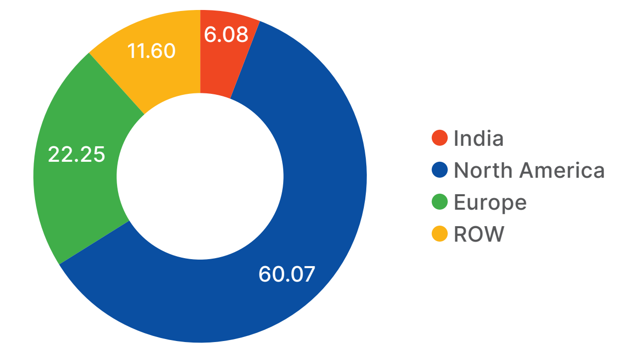
REVENUE FROM OPERATIONS

(₹ in crores)



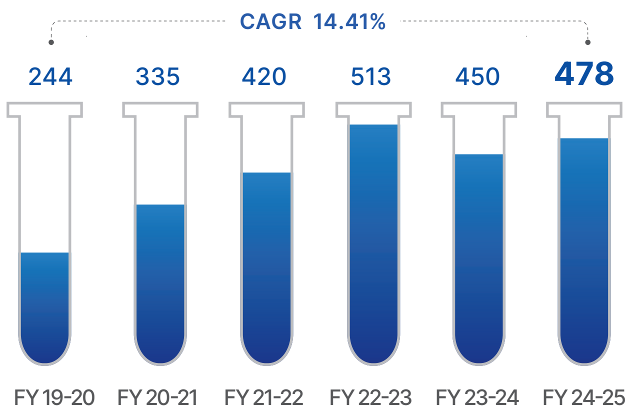
REGION-WISE REVENUE CONTRIBUTION

(%)



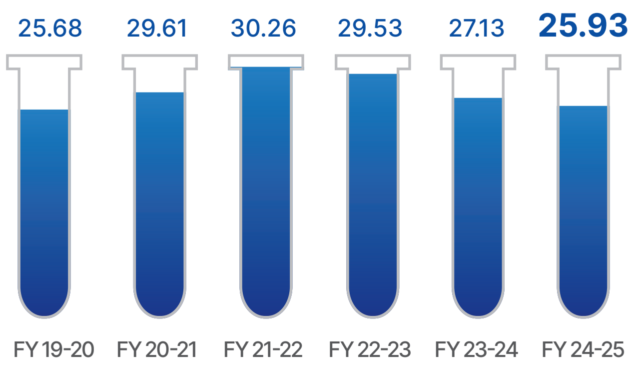
EBITDA

(₹ in crores)



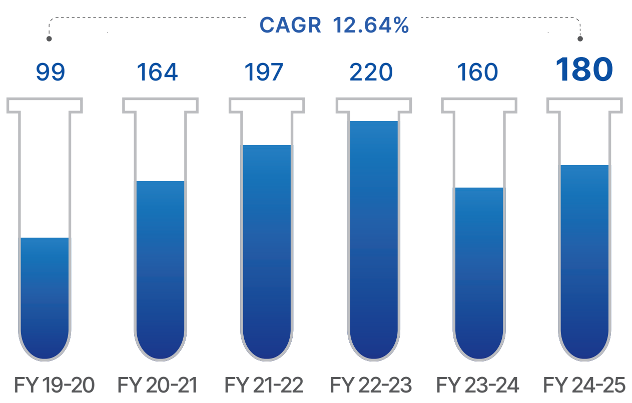
EBITDA MARGIN

(%)



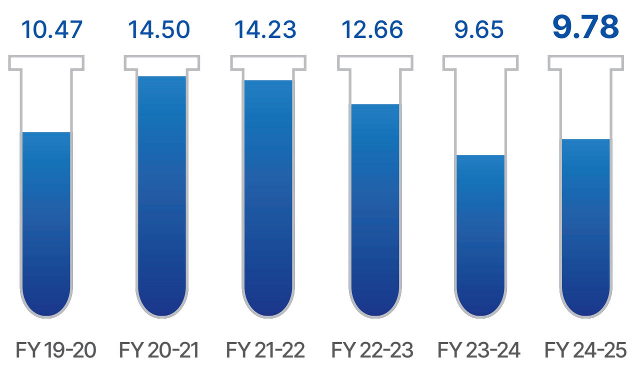
PAT

(₹ in crores)



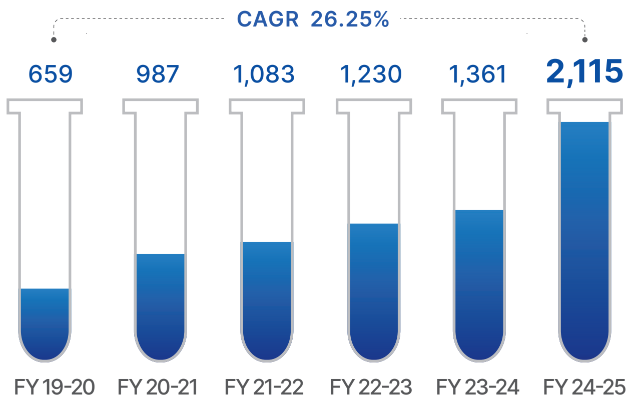
PAT MARGIN

(%)



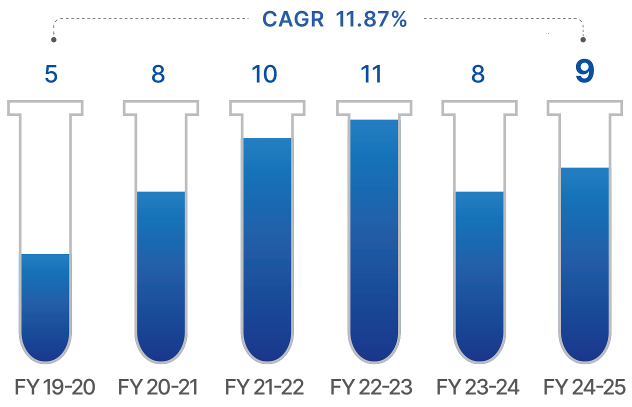
NET WORTH

(₹ in crores)



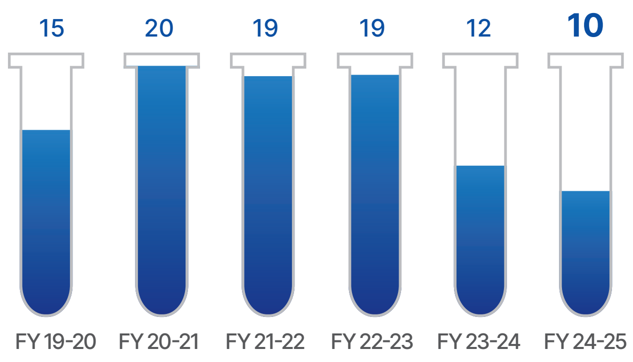
EPS

(₹)



RETURN ON EQUITY (ROE)

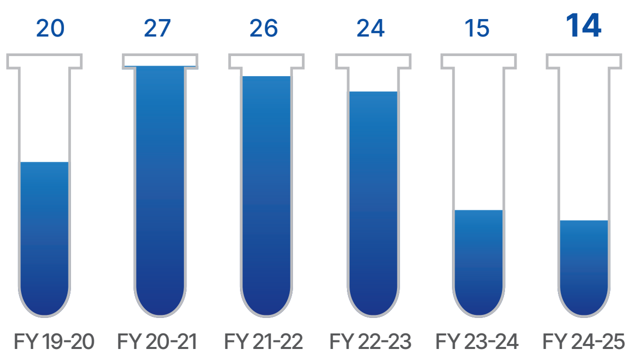
(%)



ROE = PAT / Equity

RETURN ON CAPITAL EMPLOYED (ROCE)

(%)



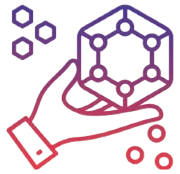
ROCE = Operating EBIT / (Net Debt + Equity)

Excellence Through Quality

Our robust quality systems ensure that customers experience the same high standards across all our facilities, regardless of location. As a global service provider, catering to a diverse set of customers across different industries, quality compliance is integrated into every stage of our operations. We stringently adhere to global GXP practices to ensure that our deliverables meet the required quality standards. Anchored by a quality leadership team with over 180 man-years of combined expertise, we believe quality is everyone's responsibility—from senior management to the shop floor. Our commitment is clear: deliver zero-defect products on time and in full.

To uphold this promise, we develop and implement internationally benchmarked quality management systems, invest in world-class infrastructure, hire individuals who embody our quality culture, and emphasise effective documentation practices. Our facilities have been audited and approved by global regulatory authorities including the USFDA, EDQM, ANVISA, PMDA, and WHO, with our most recent USFDA audit concluding with no observations. Regular customer audits keep us continually 'audit ready' and aligned with evolving best practices.

Each site maintains independent quality teams reporting directly to our global quality head and CEO, ensuring impartial decision-making. At the corporate level, quality assurance drives uniform standards in vendor management, quality control, digital initiatives, compliance, training, and quality by design. At Aragen, we are profoundly committed to the quality, safety, and effectiveness of our solutions—because what we do impacts lives and helps make better health possible.



Our commitment is clear: deliver zero-defect products on time and in full.

Digital Innovation at the Core

At Aragen, we have embedded a powerful digital backbone across every function mapping out the customer journey with us–from R&D and manufacturing to customer engagement and employee development. Our integrated platforms, intelligent systems, and automation tools enable us to deliver faster, smarter, and more secure solutions, creating value for customers and employees alike.

Efficient Digital Labs

We drive productivity and data integrity across our labs through:

- A Project Management Platform for seamless collaboration
- The NextGen Electronic Lab Notebook to digitise research workflows
- eSample for streamlined sample management
- i360, an advanced Instrument Management Platform
- Empower LIMS ensuring reliable data capture and compliance

Digital Manufacturing 4.0

Our manufacturing operations are digitally integrated to enhance efficiency and traceability with:

- Project Automation
- Digital Warehouse management

Differentiated Customer Experience

We priorities transparency and data security to elevate the customer journey:

- Customer Support Management Platform to resolve queries efficiently
- Customer Relationship Management platform to ensure increased customer centricity
- A Customer Digital Connect Platform (currently under development) for enhanced engagement
- Rigorous measures to safeguard data confidentiality and protect intellectual property

Digital Employee Experience

Empowering our people through modern digital tools:

- A comprehensive Digital Workplace Platform to connect teams
- A state-of-the-art Learning Management System (Aragen Academy) for continuous learning and development.

AI-enabled digitalization projects implemented

ADMETelligence

- Predicts pharmacokinetic properties such as solubility, volume of distribution, plasma protein binding, human oral bioavailability
- Accelerates lead optimisation; improves productivity

Chem AIRS Platform

- Generate synthesis plans for complex target molecules avoiding trial & error in the labs
- Visualize and edit reaction steps, replace reactants, and select optimal reaction conditions
- Uncovers novel pathways leveraging AI, improves productivity, reduced cycle time of synthesis planning

SciGenie

- Brings together internal and external sources of scientific literature thus reducing search time
- Accelerates the discovery research process

Agile, Sustainable Supply Chain

A very crucial requirement for the successful completion and on-time delivery of a project is the availability of all required materials at the right time and the right cost. Aragen's supply chain team is a key enabler of our ability to meet project commitments, maintain business continuity and ensure timely delivery of solutions to help our customers advance their R&D projects.

Our supply chain is designed to be agile, sustainable, and highly responsive, driven by a strong partnership approach and a culture of continuous improvement. By integrating planning, sourcing, procurement, end-to-end logistics, and warehousing, we deliver seamless operations and efficient service across all business units.

As part of our business continuity plan, we have strategically de-risked our operations—reducing reliance on non-domestic suppliers from over 40% in 2017–18 to just 25% today by sourcing 75% of raw materials and indirect supplies domestically. This shift not only improves lead times and inventory management but also gives us a better control on the supply chain and supports our sustainability goals by lowering carbon emissions.

Our strength lies in fostering a robust supplier relationship across a network of more than 1,400 partners, including strategic alliances with industry leaders. By investing in advanced digital tools like SAP S/4HANA, ARIBA, AI-enabled sourcing platforms, and real-time shipment tracking, we have enhanced transparency, efficiency, and resilience. Our focus on sustainability, diversity, and compliance is reinforced by ongoing training and awareness initiatives.

Aragen's commitment to excellence is recognised through numerous awards, including the Excellence in Supply Chain, Logistics & Distribution by ET Now RE Pharma Awards 2025, Top 5 Supply Chain Champions by ISCM, Excellence in Supplier Relationship Management by ET Now, the Best-in-Class Supply Chain Sustainability Award by Express Logistics and Supply Chain Leadership Awards, and the Digital Transformation Award by the Procurement Success Summit in Shanghai. These accolades affirm our leadership in supply chain innovation and strengthen our reputation among stakeholders.

94%
ON-TIME DELIVERIES

1,400%
GLOBAL VENDOR BASE

25%
TAT REDUCTION IN LAST 3 YEARS

105,500 Sq.ft.
STORAGE SPACE ACROSS 5 SITES

Aragen's People-first Approach

Our employees are our greatest differentiators, and their welfare and well-being are central to our people strategy. We believe that physical, mental, and social wellness leads to more fulfilling professional lives, better relationships, and a healthier work-life balance. To support this vision, we run comprehensive programs across multiple dimensions. Our innovative HR practices and initiatives, aligned with global industry best practices, has helped us achieve the Great Place to Work (GPTW) certification for six consecutive years.

Employee well-being

Physical wellness is encouraged through initiatives such as on-site health checks, access to mindfulness and yoga experts, and options to cover fitness-related expenses under a flexible benefits plan. A physician is stationed on campus, and annual health assessments are organised for all employees. In response to the COVID-19 pandemic, special group life insurance coverage was implemented to enhance security.

Mental wellness is fostered with awareness campaigns and training in positive mental attitude, stress management, and assertiveness. Flexible working hours are offered when needed, while our custom HR app, e360, enables employees to indicate their daily mood. If someone selects the 'feeling low' option, a designated wellness partner provides immediate support.

Social wellness comes alive through celebrations of festivals, special occasions, and sports events—most notably our annual cricket tournament that draws enthusiastic participation.

Beyond active employment, we help employees plan for their future by encouraging investments in the Voluntary Provident Fund and enrolment in the National Pension Scheme to ensure long-term financial security.

Training and development

Aragen nurtures talent as the cornerstone of innovation and excellence. Guided by our employee value proposition — "We Invest. We Learn. We Grow." — we foster a culture of continuous learning, inspired by our purpose: "In every molecule lies the possibility for better health." Through focused training, workshops, and development programs, we empower employees to achieve their potential while creating lasting value for global healthcare.

Health and Safety

At Aragen, safeguarding the health and safety of everyone in our operational ecosystem is a top priority. In FY25, we strengthened our commitment to occupational health and safety (OHS) by implementing a comprehensive management system—embedded in our values, not just compliance. Aligned with ISO 45001:2018 and guided by a strong Corporate Environment, Health, and Safety (EHS) policy, this system ensures global best practices are at the heart of our operations.

Diversity and Inclusion

At Aragen, diversity is a mindset that shapes how we lead, work, and grow. We strive to create a workplace where every individual is valued, respected, and empowered—regardless of gender, background, identity, or life circumstance. We believe inclusion sparks innovation and drives collaboration. Women's welfare remains a priority, with close-to-campus crèche facilities, maternity support, and a dedicated program, Celebrating Motherhood, which offers work-hour flexibility, professional updates during maternity leave, medical insurance, and a warm reintegration upon return.

~4,300+
Scientific talent spread across multiple locations

22.3%
Gender diversity

100,000+
Learning hours

6th
consecutive year certified as Great Place to Work (GPTW)

Corporate Social Responsibility

We believe that true progress is inclusive, responsible, and sustainable. Our commitment to social and environmental responsibility is reflected in a wide range of CSR initiatives that positively impact education, environment, and healthcare across the communities we serve.

Supporting Community Health Beyond the Pandemic

We continue to champion community health through support for 1,500+ TB patients, a life-saving heart surgery, and multiple initiatives including medical services, vaccination drives, disease awareness, fitness events, and hygiene education. Our efforts extend to rural sanitation and healthcare infrastructure upgrades.

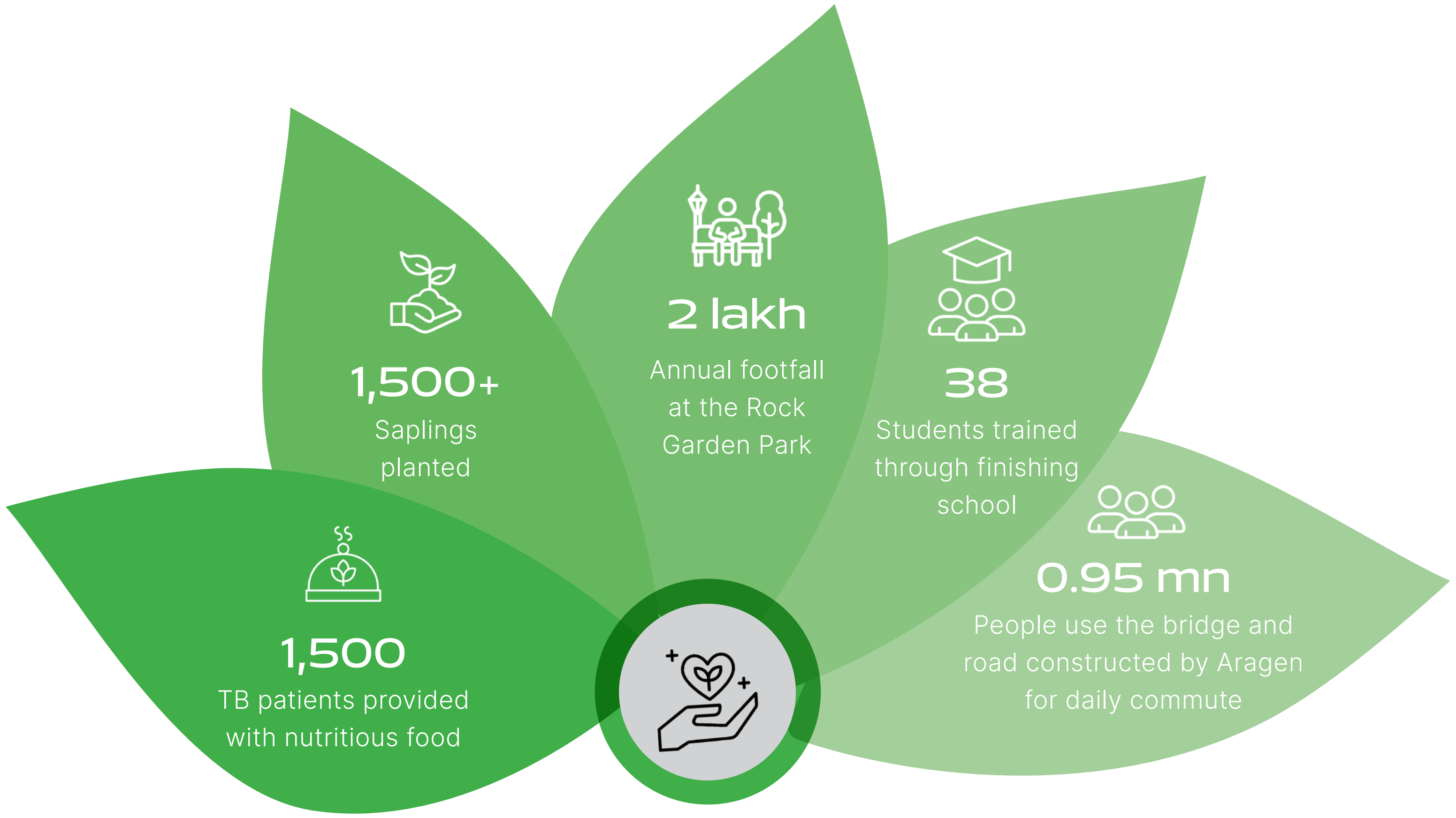
Education – Strengthening School Infrastructure

We enhance safe, inclusive learning by upgrading zilla parishad schools across states–building 125 biodegradable toilets, providing benches and computers, and conducting regular hygiene and learning audits to benefit thousands of underprivileged and differently abled children.

Economic Growth – Enhancing Employability

Through finishing schools and vocational training, we bridge academic learning with industry needs. In partnership with IICT, we provide practical training to MSc students, currently benefiting 40 participants. These initiatives boost employability, local capacity, and economic resilience.

Rock Garden Park developed by Aragen at Nacharam, Hyderabad as part of its CSR initiative



Environment and Biodiversity

Green Initiative (since 2016): Tree plantation and afforestation to improve green cover, biodiversity, air quality, and climate resilience.

Park Development: Created Rock Garden Park as a sustainable green space for biodiversity and community recreation.

Environmental Infrastructure: Built a minor bridge, Nala, and stormwater drain to enhance water management and reduce flood risks.

Partnered with the local pollution control board, planted 650 saplings, and distributed 1,500 saplings to employees for home planting.

Collaborative Community Consultations

We engage regularly with community leaders, NGOs, and residents to understand local needs and aspirations. Periodic impact assessments measure effectiveness and guide program improvements, ensuring alignment with community priorities.

Commitment to Progress – Future Plans

Building on our IICT collaboration, we plan to establish an in-house institute to provide industry-relevant training to 200 students annually, strengthening the talent pipeline for the scientific community.

Safety and Sustainability at the Core

At Aragen, sustainability isn't just a corporate goal—it's a commitment ingrained in who we are. Through innovation, accountability, and forward-thinking practices, we are shaping a future that's safer, more responsible, and environmentally resilient.

Ensuring the health, safety, and well-being of our employees and stakeholders is a foundational priority. We have established a robust safety framework that integrates risk mitigation, process optimization, and industrial hygiene best practices. Our Environmental, Health, Safety & Sustainability (EHSS) team—comprising seasoned experts—drives the seamless integration of safety systems across our operations. All our facilities are certified under ISO 14001:2015, ISO 45001:2018, and ISO 50001:2018, reflecting our commitment to excellence in environmental and occupational health management.

As an end-to-end partner in the biopharma lifecycle, Aragen supports customers from early-stage discovery to commercial manufacturing. Alongside scientific innovation, we are deeply committed to sustainability.

Our long-term vision is anchored in reducing environmental impact and safeguarding stakeholder interests—ensuring that sustainability remains central to our growth strategy. Our sustainability journey is grounded in science, driven by purpose, and aligned with global sustainability goals. We are taking conscious steps to transform our environmental and social footprint guided by clear targets, verified standards, and a deep commitment to responsible progress. Our sustainability journey is anchored in four core pillars: healthy planet, healthy workforce, healthy communities, healthy organization. From applying green chemistry principles in our R&D to enforcing sustainable procurement guidelines, we actively involve our supplier ecosystem in our sustainability journey.

Our Key Sustainability Commitments%

- Committed to the Science Based Targets initiative (SBTi)
- Regular CDP disclosures on Climate Change and Water Security
- Signatory to the United Nations Global Compact (UNGC)
- Associate member of the Pharmaceutical Supply Chain Initiative (PSCI)
- Member of the GRI South Asia Charter on Sustainability Imperatives

Our ESG Goals

25%
ACHIEVE 25% GENDER DIVERSITY BY 2026

90%
REDUCE SCOPE 1, 2, AND 3 GHG EMISSIONS BY 90% BY FY2050 (BASELINE: FY2023)

50.4%
REDUCE SCOPE 1, 2, AND 3 GHG EMISSIONS BY 50.4% BY FY2033 (BASELINE: FY2023)

REACH WATER NEUTRALITY BY FY2035

0
ZERO LANDFILL TARGET BY 2025*

*Target achieved

We plan to increase renewable electricity to 44% and grow the share of renewable energy in our total energy consumption from 27% to 52%.

Our SBTi-approved emission reduction goals are backed by a detailed decarbonization roadmap. A major highlight in FY25 was the validation of Aragen's climate targets ambition by the Science Based Targets initiative (SBTi), confirming alignment with the Paris Agreement's 1.5°C trajectory. This validation underscores the company's rigorous and transparent approach to decarbonization. Currently, 24.4 % of

Aragen's total energy consumption is sourced from renewables, with the California facility operating entirely on renewable power. We are scaling up renewable electricity usage at our Bengaluru, Mallapur, and Visakhapatnam sites. By FY27, we plan to increase renewable electricity to 44% and grow the share of renewable energy in our total energy consumption from 27% to 52%.

Click here to read Aragen's Sustainability Report

Board of Directors

CHAIRMAN

Davinder Singh Brar

S E

DIRECTOR

G V Keshav Reddy

A R S E

DIRECTOR

Rajat Sood

N S

DIRECTOR

Dr. Amit Varma

DIRECTOR

Robert R Ruffolo, PhD

N

DIRECTOR

Ajay Srivastava

A R S E

DIRECTOR

Anita Ramachandran

N A R

WHOLE-TIME DIRECTOR & CEO

Manni Kantipudi

R

Chairperson

Member

A Audit Committee

N Nomination and Remuneration Committee

E ESG & CSR Committee

S Stakeholders' Relationship Committee

R Risk Management Committee

Management Team

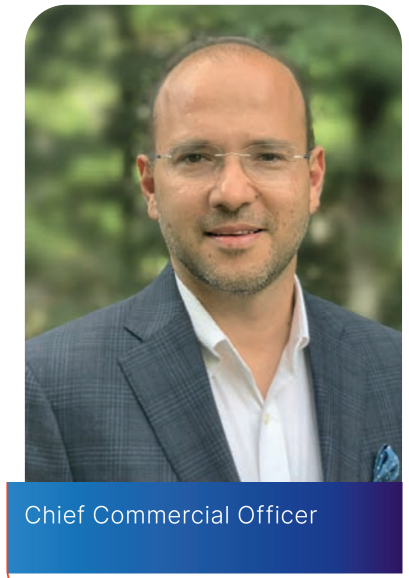
Manni Kantipudi

Whole-Time Director & CEO

Subodh Deshmukh

CEO Biologics and President, Development & Manufacturing

Ashu Tandon



Chief Commercial Officer

Sachin Dharap

Chief Financial Officer

Suresh Anubolu

Chief Human Resources Officer

Manjunath Ramarao

Chief Scientific Officer and EVP, Integrated Drug Discovery

Awards

Best Customer-Centric Company" and "Top Quality Leaders" at the 14th Global Awards 2025

Great Place to Work® Certification for the 6th consecutive year

Platinum Sustainability Rating from EcoVadis

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

First CRDMO in India approved by SBTi for near-term and net-zero targets

2024 Global Customer Value Leadership Award by Frost & Sullivan

Excellence in Supplier Relationship Management Award at ET Now Supply Chain Summit 2024

CII Award for Excellence in Women in STEM

2025 Linked in TOP COMPANIES India

Best Organisation in L&D Practices (Pharma Sector) by Indian Society of Training & Development

Best Digital Strategy Delivering Business Value' at the 7.0 Technology Excellence Awards 2025

Corporate Information

Registered Office
Plot No.28A, IDA Nacharam, Hyderabad-500076, Telangana, India.

Statutory Auditors
B S R and Co,
Chartered Accountants
Salarpuria Knowledge City, Orwell, B Wing, 6th Floor, Unit-3, Sy No. 83/1, Plot No. 02, Raidurg, Hyderabad – 500 081 – India.

Secretarial Auditor
ABR & ASSOCIATES
Company Secretaries
B-41/A, Ground Floor, Sai Sikhara, Madhura Nagar, Hyderabad-500038, Telangana, India.

Internal Auditor
Protiviti India Member Private Limited
The Square, B Block, 4th Floor, Wipro Circle Road, Gachibowli, Hyderabad-500046, Telangana, India.

Registrar and Transfer Agent
KFin Technologies Limited
Selenium Building, Tower-B, Plot No.31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032, Telangana, India.

Bankers
Kotak Mahindra Bank Limited
Citibank N.A.
The Federal Bank Limited
YES Bank Limited

Dear Members,

The Board of Directors is pleased to present the 24th Annual Report of your Company, **Aragen Life Sciences Limited ("Aragen"/"Company")**, along with the Standalone and Consolidated Audited Financial Statements for the Financial Year ended 31st March 2025.

PERFORMANCE IN FY25

Financial Results

The Company's income and earnings, both standalone and consolidated, for FY 2024-25, compared with the previous year, are summarised in the table below.

(Amount in INR Millions)

Details	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Total Income	17,082	14798	18,703	16747
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	5,116	4411	4,785	4497
Less: Depreciation	1,510	1607	1,859	1918
Less: Interest	317	286	362	331
Profit Before Tax (PBT)	3,289	2517	2,564	2248
Less: Provision for Tax	702	676	728	702
Less: Deferred Tax	90	-46	32	-55
Profit After Tax (PAT)	2497	1888	1804	1601
Other Comprehensive Income	(115)	135	(119)	136
Total comprehensive income	2,382	2022	1,685	1737
Earnings Per Share (Basic)(Rs.)	12.19	9.34	8.78	7.83
Earnings Per Share (Diluted)(Rs.)	12.01	9.21	8.65	7.71

ABOUT ARAGEN

Aragen is one of India's leading diversified Contract Research, Development, and Manufacturing Organisations (CRDMOs), ranked by both revenue and scientific talent. The Company provides comprehensive research, development, and manufacturing services to global life sciences companies across human, animal, and crop health sectors. With a successful track record spanning over 24 years, Aragen specialises in early-stage discovery, development, and manufacturing of New Molecular Entities (NMEs). Its diversified client base includes mid-to-large pharmaceutical companies and innovative biotechnology firms. Aragen operates from six state-of-the-art, technology-enabled facilities across India and the United States, covering approximately 1.5 Mm square feet. The Company is powered by a strong workforce of around 4,500 employees, including nearly 4,000 scientific professionals and about 450 PhDs. Aragen's robust scientific capabilities and scalable platform have consistently driven growth, innovation, and high-quality project execution, reflected in its strong financial performance over the years.

The Company's standalone Total Income of INR 17,082 Mm reflected a growth of 15.43% over the previous year. Profit After Tax (PAT) grew by 32.26% to INR 2497 Mm; EBITDA of INR 5,116 Mm grew at 15.98%. On a consolidated basis, the Company reported a Total Income of INR 18,703 Mm, growing at 11.68% over the previous year; EBITDA of INR 4,785 Mm, growing at 6.40%; and PAT of INR 1,804 Mm, growing at 12.68% over the previous year.

During the year, the Company secured a fresh equity investment of INR 6,337.50 Mm from a leading private equity fund, Quadria Capital, reaffirming investor confidence in Aragen's market position and long-term strategy. This capital infusion will support debt reduction and fund the Company's ongoing capital expenditure program.

Market environment

The financial year 2024–25 remained challenging for the global Contract Research, Development, and Manufacturing Organisation (CRDMO) sector. A continued slowdown in venture funding for biotech companies—traditionally a key driver of pharmaceutical innovation—persisted through most of the year. Additionally, global pharmaceutical majors scaled back R&D spending and consolidated their focus on fewer programs. Despite these headwinds, Indian CRDMO players benefited from geopolitical shifts and the international push for supply chain diversification, which created new growth opportunities. However, uncertainties toward the close of FY 2024–25—stemming from policy changes by the U.S. government and the potential onset of a tariff war—led to a short-term slowdown. Nevertheless, the long-term outlook for the sector remains positive.

Amid this dynamic environment, Aragen took proactive steps to capture growth opportunities, particularly from large pharmaceutical companies and geopolitical realignments. These efforts resulted in increased market share within this segment.

Investments in Infrastructure

The Company continued to invest in infrastructure to support future growth. In Q1 FY 2024–25, Aragen commissioned a state-of-the-art GMP Formulations Pilot Plant and a technologically advanced 105 KL manufacturing block in Vizag. Progress on the nearly $40 Mm Biologics Process Development and Manufacturing facility in Bangalore—being developed through its wholly owned subsidiary, Aragen Biologics Pvt. Ltd.—remains on track. Phase One small volume manufacturing commenced in Q4 FY 2023–24, and the phase two large-volume facility is expected to be commissioned in Q2 FY 2025–26. This facility is poised to significantly enhance Aragen's capabilities in the Biologics CRDMO space. Additionally, the Company completed the expansion of its Discovery Services infrastructure, adding approximately 0.35 Mm square feet of lab space, now ready for fit-outs. Expansion of its Chemistry Labs is also underway and is expected to be completed by Q1 FY 2025–26.

Business Segment Highlights

Discovery Services

Despite global headwinds in the biotech sector, the Discovery Services business delivered high single-digit growth, driven by mid-teens growth in Chemistry. The Company added several large pharmaceutical clients and increased the share of business from this segment. Key developments include:

- Establishment and expansion of the Peptide Discovery Services facility, now among the largest in India by volume.
- Strengthened offerings in PROTACs, Lipids, Nucleosides, and Microchemistry.
- Growth in the Biology segment, despite pricing pressures, supported by new animal models in Oncology and Pain Management.
- Execution of the first IND-enabling GLP Safety Assessment projects through subsidiary Intox Pvt. Ltd.
- Delivery of five pre-clinical candidates to a large pharmaceutical client as part of integrated service offerings.

The Company also initiated AI/ML-driven initiatives in drug discovery, including developing a proprietary Retrosynthesis platform. Additional digital tools were deployed to enhance productivity and operational efficiency. To support future growth, new Chemistry Labs are being established at the Hyderabad facility, expected to be operational in Q1 FY 2025–26.

Development and Manufacturing Services

This segment achieved high single-digit growth, with a 30% increase in projects executed during FY25. Growth was driven by:

- Addition of new customers and programs in Custom Chemical Synthesis (CCS).
- Recovery in RFP flow toward the end of the year, though customer decision-making remained slow.
- Continued strong performance in Formulations and Analytical Services, with high double-digit growth and delivery of multiple GMP clinical drug product supplies.

The 105 KL manufacturing block at Visakhapatnam became fully operational in Q1 FY25, nearly doubling the site's CCS capacity. Notably, Aragen's manufacturing facility in Nacharam, Hyderabad, successfully underwent a U.S. FDA inspection during the year.

Biologics Development and Manufacturing

Handled by Aragen Biologics Pvt. Ltd., this segment posted over 50% revenue growth in FY 2024–25, despite demand softness in the US and Europe. Long-term partnerships with global leaders in human and animal health drove growth. Key highlights include:

- Continued progress on Phase 2 of the Biologics Cell Culture facility in Bengaluru.
- Initiation of several new customer programs in Process Development and Analytics.

Phase 2 is expected to be operational by Q2 FY 2025–26, enabling end-to-end Biologics services—from Antibody Discovery and Cell Line Development in California to

Process Development and cGMP Manufacturing in Bengaluru.

Subsidiaries

Aragen has five subsidiaries.

Aragen Bioscience, Inc. (ABI) is a 100% step-down subsidiary based in California, USA. It provides services in Biologics R&D, including antibody research, Cell line development, Protein analytics, etc., and pre-clinical efficacy testing for both small and large molecules through its AAALAC-accredited facility. It offers its proprietary DG44 platform for Cell line development in the Biologics space and is leading in Fibrosis and Oncology models for clinical testing. During the year, the Unit achieved a revenue of US$ 25.66 Mm.

During the year, the Company sold its entire stake in ABI to Aragen Biologics Private Limited (ABPL), a wholly-owned subsidiary of the Company.

ABPL is a 100% subsidiary based in Hyderabad, engaged in biologics contract manufacturing. Phase 2 of the manufacturing facility is expected to commence by Q2 FY26.

Intox Pvt Ltd was acquired in December 2021, and during the 2022-23 fiscal year, the Company increased its holding to 76%. Intox offers services in Safety assessment studies for small and large molecules through its GLP and AAALAC-accredited facility. During the current financial year, Intox achieved a revenue of INR 43.55 Crores.

Aragen Life Sciences B.V., based in the Netherlands, is a 100% subsidiary that provides the company with marketing services.

The Company conducts its CSR activities through the Aragen Foundation, a wholly owned subsidiary with charitable objectives.

In accordance with Section 129(3) of the Companies Act, 2013 ("Act"), a statement detailing the salient features of the Company's subsidiaries' financial statements in Form No. AOC-1 is attached to this Report as Annexure 6.

Human Resources

Aragen group's workforce grew to over 4,450 employees, including about 450 PhDs, with over 430 new hires in FY 2024–25. Key recognitions and initiatives include:

- Certified as a 'Great Place to Work' for the sixth consecutive year.
- Ranked among India's Top 20 Best Workplaces in Pharma, Healthcare, and Biotech.
- Awarded the Ecovadis Platinum rating, placing Aragen in the top 1% globally for sustainability and human rights practices.

Over 115,000 learning hours were delivered through a blend of instructor-led and digital programs. Flagship initiatives include:

- Aspire, Empower, LEAP, and LEAP+ for leadership development.
- EvolWE for women leaders.
- InterACT, a communication enhancement program featuring a Toastmasters Club.

The Scientific Excellence Academy and Green Chemistry Awards were launched to promote scientific rigour and sustainable practices. Employee wellness initiatives included:

- Refyne for financial wellness.
- Yoga and Zumba clubs for physical well-being.

Aragen maintains a strong ethical framework, with zero tolerance for discrimination, harassment, or corruption. The Company fully complies with the POSH Act, has an active Internal Complaints Committee (ICC) and regularly conducts awareness programs. No complaints were reported under the POSH Act during the year.

Employee Stock Options ("Options")

As of March 31, 2025, the total outstanding options (vested and unvested) under various Employee Stock Option (ESOP) schemes are 39,03,034. Key information on each of the ESOP Schemes is given below. For further details, the members are requested to refer to Note No. 12(f) of the Standalone Financial Statements for the year.

The ESOP Schemes comply with the Act's provisions and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

ESOP Scheme 2022:

Under the ESOP Scheme 2022, the Company granted **13,64,741** Options to its eligible employees at an exercise price of INR 10 per option. As of March 31, 2025, 449,776 options were vested (with 132,283 Options vested during the year), and 593,461 options were pending vesting in the future, with the remaining 321,504 options not vested according to the vesting parameters. Of the total grant, 593,461 options were granted during the year, which remained unvested as of March 31, 2025.

The list of grants to KMPs and grants amounting to more than five per cent of the Options granted during the year is as follows:

	Number
Key Managerial Personnel:	
Mr Manmahesh Kantipudi, Whole-time Director & CEO	115,097
Mr Sachin Anand Dharap, CFO	18,315
Mr Ramakrishna Kasturi, Company Secretary	4,447
Grants amounting to more than five per cent:	
Dr Subodh Deshmukh, President – Development	57,565
Mr Suresh Anubolu, Chief Human Resources Officer	30,635
Mr Ashu Tandon, Chief Commercial Officer	32,456

ESOP Scheme 2017:

Under the ESOP Scheme 2017, eligible employees were granted 49,55,355 Options (post-bonus) with varying exercise prices. The total vested Options as of 31st March 2025 were 17,46,689 (with 34,875 Options vested during the year, and after forfeiture of 300,090 Options), and 1,17,000 Options were pending vesting in the future. During the year, 69,403 Options were exercised at INR 78.47 paise, amounting to INR 54.45 lakhs.

ESOP Scheme 2007:

Under the ESOP Scheme 2007, as of March 31, 2025, 9,96,108 options were vested, with no Options remaining unvested. During the year, 1,28,892 options were exercised at various prices, amounting to INR 14.78 lakhs.

Environment, Health, and Safety (EHS)

Aragen remains committed to the highest standards of environmental stewardship, occupational health, and workplace safety. All company facilities are certified to the following international standards:

- ISO 14001:2015 – Environmental Management
- ISO 45001:2018 – Occupational Health and Safety
- ISO 50001:2018 – Energy Management

During FY 2024–25, the Company delivered over 18,360 hours of EHS training, reinforcing its culture of safety and compliance.

Occupational Safety and Health Initiatives

Aragen implemented several key safety upgrades across its Hyderabad and Vizag API manufacturing sites:

- Upgraded fire detection and suppression systems in critical areas, including cold rooms, QA archival, and IT server rooms.
- Installed gas detection systems and nitrogen blanketing for underground solvent storage tanks.
- Designated specialised storage areas for water-reactive chemicals to mitigate risk.

Progress on Sustainability Goals

Aragen made significant strides toward its long-term sustainability objectives:

- Achieved zero landfill status for hazardous waste as of August 2024.
- Committed to increasing gender diversity to 25% by 2026 (currently ~22%).
- Set ambitious GHG emissions reduction targets:
  - o 50.4% reduction in absolute Scope 1, 2, and 3 emissions by 2032
  - o 90% reduction by 2050
- Aiming for water neutrality by 2035.

Recognitions and Achievements

Aragen's leadership in sustainability and EHS was recognised through several prestigious accolades:

- EcoVadis Platinum Medal, with a score of 82, placing Aragen in the top 1% globally.
- SBTi Validation for near-term and net-zero greenhouse gas (GHG) emissions targets.
- CDP Scores:
  - o "A-" for Water Security
  - o "B" for Climate Change
- OHSSAI Awards: Gold medals in Environment, Safety, and ESG categories at the 9th Annual HSE Excellence & ESG Global Awards.
- Featured in the Gender and Forward Faster Report at the 8th Gender Equality Summit 2025.
- Case study on Sustainable Supply Chain published in The Guide by the Sustainable Procurement Pledge (SPP) Champion Programme.
- Initiated Product Carbon Footprint Estimation using SiGreen software.

In a significant step toward renewable energy adoption, the Board approved an investment in a captive solar power plant in Karnataka. This plant will supply nearly 100% of the power requirement for the Bengaluru facility through green and sustainable sources.

DIVIDEND

The Board of Directors has, after reviewing various parameters outlined in the Company's Dividend Distribution Policy and consistent with its previous track record, recommended a final dividend of INR 2.10ps (Rupees Two and Paise Ten) per equity share of INR 10/- each for the Financial Year ended March 31, 2025, subject to approval at the ensuing Annual General Meeting of the Company's members ("AGM"). The Dividend amounts to a payout of 25.26% of the consolidated PAT of the Company and involves a cash outflow of INR 455.68 Mm. The dividend declared at the AGM will be paid to members borne on the register of members as of the date of the AGM, the record date fixed for this purpose.

The Dividend Distribution Policy of the Company is available on the Company's website at https://www.aragen.com/our-company/investors/.

Transfer to Reserves

The Board of Directors do not propose to carry any profits to the General Reserves.

SHARE CAPITAL

In January 2025, the Company offered for private placement 1,25,76,151 equity shares to the identified investors, namely, Quadria Capital India Fund III, and Leo Investment Holdings Pte. Ltd. (both part of the Quadria Capital Group), at INR 503.93 per share. The said shares were allotted against their subscriptions. The Quadria Capital Group also acquired a small percentage of shares from the existing shareholders.

The Company's authorised share capital is INR 2500 Mm, and the paid-up equity capital, including the private placement as aforementioned, is INR 216,99,03,400/— with 21,69,90,340 equity shares of INR 10 each. The Employee Stock Options vested as of 31 March 2025 are 31,92,573, details given elsewhere in the report. The equity shares of the Company are in demat form. M/s Kfin Technologies Limited, Hyderabad, is the Registrar and Transfer Agent of the Company.

NON-CONVERTIBLE DEBENTURES

The Company issued 2000 (two thousand) listed, rated, secured, redeemable, nonconvertible debentures of the face value of Indian Rupees One Mm each, aggregating up to INR 2000 Mm (Indian Rupees Two Thousand Mm) ("NCDs") and with a maturity period of three years, through private placement in February 2022. The NCDs carried an interest rate of 7.75% per annum, payable annually. CRISIL rated the NCDs 'AA minus/Stable' at the time of the Issue and 'AA minus/Positive' in 2023, 2024, and 2025. The Company promptly paid the interest due on the NCDs during the three-year term and redeemed the NCDs on the maturity date, i.e., 11 February 2025. The charge on the assets created as security for the NCDs has since been satisfied. IDBI Trusteeship Services Limited, the Debenture Trustees, have also released the mortgage by deposit of title deeds on the assets.

The Company complied with the relevant provisions of the Companies Act 2013, the rules thereunder, and SEBI Regulations regarding the NCDs until their delisting on 13 March 2025. Please refer to Annexure 2 for further information about the NCDs.

AUDITORS

M/s. B S R and Co., Chartered Accountants (Firm Registration No. 128510W), Company's Auditors hold office until the conclusion of the annual general meeting (AGM) for the Financial Year 2027-28.

AUDITORS' REPORT

The Auditors' report on the Company's Standalone and Consolidated Financial Statements for the year ended March 31, 2025, does not contain any qualifications, reservations, or adverse remarks. The Auditors have not reported any fraud committed by officers or employees of the Company, whether reportable or not, under Section 143(12) of the Act. The members may please refer to the Financial Statements for the remuneration paid to the Auditors during FY25.

INTERNAL AUDITORS

Protiviti India Member Private Limited, the Company's internal auditors, are engaged to conduct internal audits up to the Financial Year 2026-27. The internal auditors report directly to the Audit Committee of Directors. They have been conducting audits of various areas by the internal audit plan approved by the Audit Committee of Directors and submitting their reports for review by the Audit Committee.

SECRETARIAL AUDIT AND COMPLIANCE WITH SECRETARIAL STANDARDS

The Company's Secretarial Auditors, M/s. ABR Associates, Hyderabad, submitted their audit report for the Financial Year 2024-25, which is enclosed and forms part of this report. The report does not contain any qualifications, observations, or adverse remarks.

The Company has complied with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

BOARD OF DIRECTORS

The Company's Board comprises four non-executive non-independent directors, three non-executive independent directors including one woman director, and a full-time director.

Based on their integrity, expertise, experience, and contribution being made on the Board of Directors of the Company, Dr Robert Richard Ruffolo was re-appointed as an Independent Director on the Board for the second term of 5 (five) consecutive years commencing from April 17, 2024 and Mr. Ajay Srivastava, the existing director on the board, was designated as an Independent Director on the Board for a second term of 5 (five) years effective from 14th May 2024.

Each Independent Director has confirmed to the Company that they meet the independence criteria laid down in Section 149(6) of the Act.

Dr Amit Varma (DIN 02241746), nominated by the Quadria Capital Group, the new investors, was appointed as a non-executive director of the Company, effective January 9, 2025.

Directors retiring by rotation

Mr Keshav Gunupati Venkat Reddy, a non-executive, non-independent director (DIN 06593325), retires by rotation in accordance with the provisions of the Act and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment, and a resolution seeking shareholders' approval forms part of the Notice of the Annual General Meeting.

Board evaluation

The Board conducted a formal evaluation of its performance and that of its committees (specifically the Audit and Nomination & Remuneration Committees) and individual Directors for the financial year 2024–25. The evaluation was carried out through a structured questionnaire incorporating a rating system and covered various parameters, including the size and composition of the Board, governance processes, conduct and effectiveness of Board and committee meetings, quality and timeliness of information flow, management's independence, and the nature of Board interactions. The Board reviewed and took note of the evaluation outcomes. The Board assessed Independent Directors' performance in their absence, based on criteria such as time commitment, quality of contributions, and the exercise of independent judgment. Additionally, the Independent Directors held a separate meeting to evaluate the performance of Non-Independent Directors and the Chairperson.

CORPORATE GOVERNANCE

As part of its commitment to sound corporate governance, the Company has adopted a range of policies that align with the requirements of the Companies Act and applicable SEBI Regulations. These include the Nomination and Remuneration Policy, Corporate Social Responsibility Policy, Whistleblower/Vigil Mechanism Policy, Policy concerning Subsidiaries, Policy on Related Party Transactions, Risk Management Policy, Code of Conduct for Prevention of Insider Trading, and Policy on Preservation of Documents. The full text of these and other governance-related policies and codes of conduct is available on the Company's website at https://www.aragen.com/our-company/investors/.

Please refer to Annexure 1 for further information regarding the Company's Governance and Policies.

KEY MANAGERIAL PERSONNEL

Mr Manmahesh Kantipudi is the Whole-time Director & CEO of the Company with a term of five years ending 24th January 2028. Mr Sachin Anand Dharap is the chief financial officer, and Mr Ramakrishna Kasturi is the company secretary and compliance officer. None of these Key Managerial Personnel is related to the Promoters or the Promoters Group.

OTHER DISCLOSURES

Conservation of energy, technology absorption, and foreign exchange outgo and earnings

Particulars of conservation of energy, technology absorption, foreign exchange outgo, and earnings required to be disclosed under the Companies (Accounts) Rules, 2014, are annexed hereto as Annexure 3 and form part of this Report.

Particulars of employees

A statement of employees in accordance with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, is enclosed and forms part of this report.

Internal Financial Controls

The Board is of the opinion that the Company's internal financial controls are adequate and operating effectively, based on the framework of internal financial controls and compliance systems established and maintained by the Company; the reviews performed by the management; the periodic testing by the internal, statutory, and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors; and the periodic reviews by the audit committee.

Deposits

During the year, the Company did not accept any deposits covered under Chapter V of the Act.

Loans and guarantees

The Company has not given any loans, guarantees, or provided securities or acquired securities of any other body corporate exceeding the limits specified in Section 186(2) of the Act. For the particulars of loans given, guarantees provided, and investments made during the year, please refer to Notes numbered 5 & 6 of the Company's financial statements.

Annual Return

The company's Annual Return is posted on the website at https://www.aragen.com/our-company/investors/, as required under Section 92(3) read with Section 134(3)(a) of the Act.

Cost Records

The Company maintains the cost records specified by the Central Government under Section 148 (1) of the Act. It is not required to get its cost records audited, as its export revenue exceeds 75% of the total revenue.

Related Party Transactions ("RPTs")

The disclosure of RPTs as required under Section 134(3)(h) of the Act in Form AOC-2 does not apply to the Company for FY25 as the Company has not entered into any transactions with related parties requiring approval of the Board/shareholders under Section 188(1) of the Act; all the contracts, arrangements, and transactions entered into by the Company with the related parties during the year were on an arms'-length basis; and there were no material RPTs during the year under review that conflicted with the interest of the Company. A list of all the related party transactions forms part of the Financial Statements.

Others

- Six Board meetings were held during the year.
- There have been no significant and material orders passed by regulators, courts, or tribunals during the year that would impact the going concern status and the Company's future operations.
- No material changes or commitments have occurred after the close of the financial year to the date of this report that may affect the Company's financial position.
- No application was made during the year, nor were there any proceedings pending under the Insolvency and Bankruptcy Code, 2016.
- No one-time settlement was made with any Banks or Financial Institutions.
- There were no non-compliances by the Company, penalties, or strictures imposed on the Company by stock exchange(s), the Securities Exchange Board of India, or any statutory authority on any matter related to capital markets during the last three years.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 (5) of the Act, the Directors state that:

(a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with a proper explanation relating to material departures;

(b) Appropriate accounting policies have been selected and applied consistently with judgments and estimates made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year 2024-25 and of the profit and loss of the Company for FY24-25;

(c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The annual accounts have been prepared on a going concern basis; and

(e) Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ACKNOWLEDGMENTS

The Board expresses its sincere gratitude to all customers, bankers, vendors, and various government and regulatory authorities for their continued support and cooperation. The Board also records its deep appreciation for the dedicated efforts and valuable contributions of the Company's employees and its subsidiaries.

On behalf of the Board of Directors of
Aragen Life Sciences Limited

Sd/-
Davinder Singh Brar
Chairman
DIN: 00068502

Date: May 28, 2025

Annexure 1 to the Board's Report of Aragen Life Sciences Limited

A BRIEF REPORT ON CORPORATE GOVERNANCE

BOARD OF DIRECTORS

The Board of Directors of Aragen comprises four Non-Executive and Non-Independent Directors, three Non-Executive Independent Directors (including one woman director), and one Executive Director. None of the Directors holds directorships, committee memberships, or chairmanships in excess of the limits prescribed under applicable regulations. Further, no Director on the Board has been debarred or disqualified from being appointed or continuing as a director by SEBI, the Ministry of Corporate Affairs, or any other statutory authority. Mr. Davinder Singh Brar, the Promoter Director, serves as the Non-Executive Chairman of the Board. Detailed profiles of the Board members are available on the Company's website at https://www.aragen.com/our-company/leadership/.

The Board has adopted a Board Diversity Policy, under which the Nomination and Remuneration Committee is responsible for ensuring that the Board is composed of individuals with an appropriate mix of diversity, experience, and expertise. The Committee also periodically assesses the extent to which the required skills and competencies are represented on the Board.

Committees of the Board

To support effective governance, the Board has constituted several committees, including the Audit Committee, the Nomination and Remuneration Committee, the ESG and CSR Committee, the Stakeholders Relationship Committee, and the Risk Management Committee. These committees meet periodically to deliberate on matters within their respective scopes and make recommendations to the Board. The terms of reference for each committee are available on the Company's website at www.aragen.com.

Code of Conduct for Board of Directors, Independent Directors and Senior Management

The Company has adopted a Code of Conduct for its Board of Directors, Independent Directors, and Senior Management, which sets out the values, principles, and standards of ethical conduct expected from them. All members of the Board and Senior Management have affirmed compliance with this Code for the financial year 2024–25. A declaration to this effect, signed by the Whole-time Director and CEO, is annexed to this Report as Annexure 5.

Directors & Officers ("D&O") Liability Insurance

The Company also maintains a Directors and Officers (D&O) Liability Insurance policy with a sum assured of INR 750 million. This policy provides coverage to all directors, including Independent Directors, and officers of the Company and its subsidiaries against claims arising from professional actions taken in their official capacities.

KEY GOVERNANCE POLICIES

Various policies and codes of conduct adopted by the Company, in compliance with the Companies Act, applicable SEBI Regulations, and good governance practices, are available on the Company's website at https://www.aragen.com/our-company/investors/. The following key policies are noteworthy.

Nomination and Remuneration Policy

The Company's Nomination and Remuneration Policy provides a well-defined framework for identifying the qualifications, competencies, positive attributes, and independence required for the appointment of Directors. It also sets out the criteria for determining the remuneration of Directors, Key Managerial Personnel (KMPs), Senior Management, and other employees. Additionally, the Policy outlines performance evaluation parameters for the Board and the management team and establishes a structured approach to succession planning.

Corporate Social Responsibility ("CSR") Policy

The Company's Corporate Social Responsibility (CSR) Policy prioritizes education, healthcare, and environmental sustainability as its core focus areas. A CSR Committee of Directors, constituted in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014, oversees the planning and execution of CSR initiatives. An annual report detailing the CSR activities undertaken during FY25, in the prescribed format, is enclosed as Annexure 4 to this Report.

Whistle Blower Policy/ Vigil Mechanism

The Company's Whistleblower Policy, administered under the supervision of the Audit Committee, provides a secure and confidential mechanism for Directors, employees, and other stakeholders ("Whistleblowers") to report any suspected illegal or unethical conduct, as well as other genuine concerns or grievances within the organisation. The policy includes robust safeguards to protect whistleblowers from any form of retaliation or victimisation. During the year, the Company did not receive any complaints under this mechanism, and no individual was denied access to the Audit Committee.

Policy concerning subsidiaries

The Company's "Policy on Material Subsidiaries" provides a governance framework for such subsidiaries. It includes provisions for the appointment of one Independent Director of the Company to the Board of material subsidiaries, the review of their financial statements by the Audit Committee, and the review of the minutes of Board meetings of unlisted subsidiaries by the Company's Board. It also mandates the Board's oversight of significant transactions and arrangements entered into by unlisted subsidiaries, shareholder approval for certain matters such as the sale of shares or assets by such subsidiaries, and the conduct of secretarial audits for material subsidiaries.

Aragen Bioscience, Inc. was classified as a material unlisted subsidiary during FY24, with its income exceeding 10% of the Company's consolidated income for the year. During the year, the Company sold its entire holding in Aragen Bioscience, Inc., USA (Aragen USA), a wholly owned subsidiary, to another wholly owned subsidiary, Aragen Biologics Private Limited (ABPL). As a result, Aragen USA became a wholly owned subsidiary of ABPL and a step-down subsidiary of the Company.

The Boards of the subsidiary companies include at least one Independent Director of the Company, along with external directors and officers nominated by the Company. The Board of ABPL comprises two non-independent directors.

The Audit Committee of the Board of Directors reviewed the financial statements of the subsidiaries, as well as significant transactions and investments made by them during fiscal year 2025. The minutes of the subsidiaries' Board meetings were periodically placed before the Company's Board of Directors.

Policy on Related Party Transactions("RPTs")

The Company has consistently undertaken related party transactions only in the ordinary course of business and at arm's length, in line with its commitment to the highest ethical standards. Its "Policy on the Materiality of and on Dealing with Related Party Transactions" outlines the transactions that the Audit Committee may approve, those requiring Board approval, and those that require shareholders' approval. It defines the materiality thresholds and provides exceptions for transactions conducted at arm's length or in the ordinary course of business.

Risk Management Policy

The Company's Risk Management Policy has been designed to enhance understanding of its risk profile, support Senior Management in making informed and strategic business decisions, strengthen compliance with legal and governance requirements, and safeguard the Company's value and the interests of its stakeholders. The Company has identified key business risks, including those that could potentially threaten its continuity, and takes proactive measures on an ongoing basis to mitigate them. Internal audits are conducted using a risk-based approach to ensure focused and effective oversight. The Company has also constituted a Risk Management Committee of Directors to oversee the implementation and effectiveness of the risk management framework.

Code of Conduct for Prevention of Insider Trading

As the Company's NCDs were listed, it adopted a Code of Conduct for the Prevention of Insider Trading ("PIT Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code applied to promoters, members of the promoter group, directors, and designated employees who were likely to have access to unpublished price-sensitive information (UPSI). The Company Secretary was designated as the Compliance Officer responsible for monitoring adherence to the PIT Regulations. The Company also formulated a Policy for Fair Disclosure of UPSI and a Policy on Determining Materiality for Disclosures, in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Following the redemption of the Company's NCDs and delisting on March 13, 2025, these regulations and policies ceased to be applicable. The Company remained compliant with them until the date of delisting.

Policy on the preservation of documents

The Company's "Policy for Preservation of Documents" specifies the categories of documents that must be maintained and preserved, taking into account their relevance to the organisation and its stakeholders, including government and regulatory bodies. It also sets standards for the maintenance and retention of such documents.

Annexure 2 to the Board's Report of Aragen Life Sciences Limited

INFORMATION ABOUT THE NON-CONVERTIBLE DEBENTURES (NCDs) OF THE COMPANY

Number of NCDs	2,000
Face value of NCD	INR One Mm
Aggregate value of NCDs	INR 2000 Mm
Tenor of NCDs	Three years from 11 February 2022
Interest rate for the NCDs	7.75% per annum, payable annually
Listing of the NCDs	Listed on the stock exchange - BSE Limited
Name and full contact details of the Debenture Trustees	IDBI Trusteeship Services Limited, Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai – 400001 Website: http://www.idbitrustee.com Tel: (022) 40807004 Contact Person: Mr Subrat Udgata, Sr. Vice President
Registrar and Transfer Agent	M/s Kfin Technologies Limited, Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana, India - 500 032.

Annexure 3 to the Board's Report of Aragen Life Sciences Limited

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO

CONSERVATION OF ENERGY

Steps taken and impact on the conservation of energy	Aragen consumed 68.67 Mm power units in FY25. Out of these, 5.05 Mm units were obtained from renewable sources. This helped the Company to reduce Scope-2 greenhouse gas (GHG) emissions by 4144 MTCO2e.
Steps taken by the Company to use alternate sources of energy.	• 5.05 Mm units were obtained from renewable sources (Green). Furthermore, as approved by the Board of Directors, the Company has signed an investment agreement with a solar power plant company to generate approximately 1.3 MWh of solar energy for captive purposes. • The US facility has operated with 100% renewable energy since February 2024. • A 25 kW rooftop solar plant was installed at the Mallapur facility in Hyderabad. • Various initiatives were implemented, including using sustainable fuels and electric vehicles for goods movement.
Capital investment in energy conservation equipment	Investments were made in installing variable-frequency drives, motion sensors, solar streetlights, electronically commutated fans in AHUs, and dry vacuum pumps, among other measures to conserve energy.

CONSUMPTION PER UNIT OF PRODUCTION

Aragen provides contract research, development, and manufacturing services to its clients, and manufactures various APIs and chemical compounds based on customer orders. Therefore, it is impractical to apportion the consumption and cost of utilities to each production unit.

RESEARCH AND DEVELOPMENT (R&D) AND TECHNOLOGY ABSORPTION

Internal R&D activities are focused on developing chemical processes for the synthesis of Active Pharmaceutical Ingredients and Intermediates for sale in regulated/non-regulated markets. Through focused R&D efforts, the Company has witnessed improved production processes, yields, and lower manufacturing costs. The Company proposes to commercialise new products in the development stage.

During the year, the Company spent INR 39.99 Mm on recurring R&D, equivalent to 0.24% of its turnover. The Company did not spend any amount on capital items for R&D.

No technology imports were undertaken during the year, except for the proprietary technology provided by clients for their R&D services.

EXPORTS, FOREIGN EXCHANGE EARNINGS, AND OUTGO

Most of the Company's earnings are in foreign exchange, as its services are primarily provided to clients overseas.

INR Mm

Particulars	2024-25	2023-24
Earnings ^	14847	13805
Outgo (including for capital items & dividends) *	2840	2333

^actual inflows.
*Actual outflows, investments by the Company are not included.

Annexure 4 to the Board's Report of Aragen Life Sciences Limited

A REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31.03.2025.

1. **Brief outline of the CSR Policy of the Company:**

   The Company identified the following thrust areas for CSR activities:

   i) Promoting education

   ii) Providing emergency medical care and preventive health care

   iii) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, conservation of natural resources, promoting renewable energy sources, building waste management capabilities, and creating awareness about sustainability issues.

2. **Composition of the CSR Committee**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of the CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Davinder Singh Brar	Non-independent Non-executive Chairman	2	2
2.	Keshav Gunupati Venkat Reddy	Non-independent non-executive director	2	2
3.	Ajay Srivastava	Independent Director	2	2

3. **Provide the web link where the Composition of the CSR committee, CSR Policy, and approved CSR projects are disclosed on the Company's website:** https://www.aragen.com/our-responsibility/corporate-social-responsibility/.

4. **Provide the executive summary along with web link (s) of the Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:**

   Impact Assessment was conducted for the two projects below:

   a. Development of Industrial community park IDA Nacharam, Hyderabad; and

   b. Development of Minor bridge road and nala - IDA Mallapur, Hyderabad.

   Executive summary of the Assessment:

   a. The industry community park at IDA Nacharam, Hyderabad, has significantly enhanced the quality of life in the community by fostering social cohesion, improving mental and physical health, and serving as a central venue for social events. These multifaceted benefits underscore the garden's value as a vital community asset, demonstrating the profound impact of well-designed green spaces on urban communities.

   b. The bridge's construction over the open drain near IDA, Mallapur, Hyderabad, has had a multifaceted positive impact on the community. It has saved residents time and costs and contributed to environmental sustainability by reducing carbon emissions. Additionally, the improved accessibility to essential services and healthcare facilities has enhanced residents' social mobility and overall health outcomes.

   The Assessment report can be accessed at https://www.aragen.com/our-responsibility/corporate-social-responsibility/ .

5. **CSR obligation for the financial year**

a.	Average net profit of the Company as per sub-section (5) of section 135: (FY22-FY24)	INR 290,70,86,816
b.	Two per cent of the average net profit of the Company as per sub-section (5) of section 135	INR 5,81,41,736
c.	Surplus arising out of the CSR Projects or programs or activities of the previous financial years	NIL
d.	Amount required to be set off for the financial year, if any	INR 1,25,21,594
e.	Total CSR obligation for the financial year [(b)+(c)-(d)]	INR 4,56,20,142

6. **Information on the Amount spent on CSR Projects during the year.**

a.	Amount spent on CSR Projects including Ongoing Projects		INR 3,14,36,946
b.	Amount spent on Administrative Overheads		INR 1,49,736
c.	Amount spent on Impact Assessment, if applicable		INR 1,77,000
d.	Total amount spent for the Financial Year [(a)+(b)+(c)]		INR 3,17,63,682
e.	CSR amount spent or unspent for the Financial Year		
	(i)	Total Amount Spent for the Financial Year	INR 3,17,63,682
	(ii)	Total Amount Unspent	INR 1,38,56,460
	(iii)	A) Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135 B) Date of transfer	A. INR 1,38,56,460 B. 30th April 2025.
	(iv)	The amount transferred to any fund specified under Schedule VII as per the second proviso to sub-section (5) of section 135	NIL

f. **Excess amount for set-off, if any**

S. No.	Particulars	Amount in INR
(i)	Two per cent of the average net profit of the Company as per sub-section (5) of section 135	INR 5,81,41,736
(ii)	Total amount spent for the Financial Year (other than the ongoing projects of previous years)	INR 3,17,63,682
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programs of activities of the previous Financial Years, if any	Nil
(v)	The amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

g. **Details of CSR amount spent against other than ongoing projects for the financial year:**

Sl. No.	Item from the list of activities in Schedule VII to the Act. And Name of the Project	area and Location of the Project State & District	Amount spent on the project. (in INR).	Mode of implementation - Direct (Yes/No), If no, Agency and CSR registration number
	Environmental Sustainability			
1	Maintenance of Developed Green Belt in Road No. 15, IDA, Nacharam and Community Park, IDA Nacharam/ Mallapur (Phase-I)	Local, Telangana, Hyderabad	66,08,646	No, Aragen Foundation, CSR00031610
2	Development of Community Park, IDA Nacharam/IDA Mallapur – Phase 2.	Local, Telangana, Hyderabad	1,05,51,409	No, Aragen Foundation, CSR00031610
3	Development of a minor bridge, road, and Nala in IDA, Mallapur, Road #3	Loal, Telangana, Hyderabad	68,17,503	No, Aragen Foundation, CSR00031610
	Promoting health care			
4	Medical treatment	Local, Telangana, Hyderabad	4,00,000	No, Aragen Foundation, CSR00031610

Sl. No.	Item from the list of activities in Schedule VII to the Act. And Name of the Project	area and Location of the Project State & District	Amount spent on the project. (in INR).	Mode of implementation - Direct (Yes/No), If no, Agency and CSR registration number
5	Provided nutritious food to TB patients	Local, Telangana, Various districts	30,00,200	No, Lok Bharti Education Society, CSR00001361
	Promoting education			
	Skill development in Scientific areas	Local, Telangana, Hyderabad	40,59,189	Yes
	Others			
7	Administrative Expenses	N.A.	1,49,736	No, Aragen Foundation, CSR00031610
8	Impact Assessment Expenses	N.A.	1,77,000	Yes
	Total		**3,17,63,682**	

h. Details of CSR amount spent against ongoing projects for the financial year:

S. No.	Particulars	Project I*	Project II*
1	Item from the list of activities in Schedule VII to the Act	Promoting Education	Environmental Sustainability
2	Name of the Project	Skill development in Scientific areas	Repairing drainage, developing a footpath, greenbelt, and a durable concrete road of 8 metres X 450 metres near the company's Bengaluru facility in the Bommasandra Jigani link industrial area.
3	Local area (Yes/No)	Yes	No
4	Location of the Project	Hyderabad, Telangana	Bengaluru, Karnataka
5	Project Duration	Two years	Two years
6	The amount allocated for the project	Capital expenditure and Onetime expenses: INR 127.35 Lakhs.	INR 75 Lakhs.
7	Amount spent in the current financial Year	INR 40,59,189	NIL
8	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	INR 86.76 Lakhs	INR 51.80 Lakhs
9	Mode of Implementation - Direct (Yes/No).	Yes	Yes
10	Implementing Agency	NA	NA

**Approved in FY25 as ongoing projects.*

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years

1	2	3	4	5	6	
Sl. No.	Preceding Financial Year(s).	The amount transferred to the Unspent CSR Account under sub-section (6) of section 135 (in INR)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in INR)	Amount spent in the Financial Year (in INR).	The amount transferred to a Fund as specified under Schedule VII as per the second proviso to subsection (5) of section 135, if any.	
					Amount (in Rs)	Date of Transfer
1	2020-21	0	0	6,35,33,626	33,40,523 (PM Cares Fund)	24-Sep-2021
2	2021-22	2,06,29,565	2,06,29,565	63,89,035	0	0
3	2022-23	1,70,00,000	1,70,00,000	4,35,48,290	0	0
4	2023-24	0	0	8,34,57,927	0	0
5	2024-25	1,38,56,460	1,38,56,460	3,17,63,682	0	0

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **YES.**

If yes, enter the number of Capital assets created/acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

S. No.	Short particulars of the property or asset(s) (including complete address and location of the property)	Pincode of the property of assets	Date of creation	Amount of CSR amount spent in INR	Details of entity/authority / beneficiary of the registered owner.		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR registration number, if applicable	Name	Registered address
1	Three (3) Computers	500076	31-03-2025	40,521	NA		
2	Furniture & Fixtures - 1	500076	31-03-2025	1,265	NA		
3	Sixty-Eight (68) Laboratory equipment	500076	31-03-2025	40,17,404	NA		
Total				**40,59,189**			

(all the fields should be captured as appearing in the revenue record, flat no, house no, Municipal office/Municipal corporation/Gram panchayat are to be specified and also the area of the immovable property as well as boundaries).

9. Specify the reason(s) if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: **Not Applicable**.

10. The Committee is satisfied, and the Company's Chief Financial Officer confirms and certifies that the funds earmarked for the CSR projects were adequately utilised for the approved projects.

Sd/- (Sachin Anand Dharap) Chief Financial Officer	Sd/- (Manmahesh Kantipudi) Whole-time Director & CEO	Sd/- (Davinder Singh Brar) Chairman - ESG & CSR Committee

Annexure 5

To the Board's Report

Declaration by the CEO confirming compliance by the Board of Directors and Senior Management personnel with the Code of Conduct

I declare that the Company's Senior Management Team and Board Members have affirmed compliance with the Company's "Code of Conduct for Board of Directors and Senior Management" for the financial year ended March 31, 2025.

Sd/-
(Manmahesh Kantipudi)
Whole-time Director & CEO
DIN:05241166

Date: May 28, 2025

Annexure 6

Form AOC-1 (Pursuant to the first proviso to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES, ASSOCIATE COMPANIES, OR JOINT VENTURES (2024-25)

Part A: Subsidiaries

(₹ million)

S. No.	Name of the subsidiary	The date since when the subsidiary was acquired/ Incorporated.	The reporting period for the subsidiary concerned	Reporting currency and Exchange rate as of the last date of the relevant financial year in the case of foreign subsidiaries	Share capital	Reserves and surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	The extent of shareholding (in percentage)
1.	Aragen Bioscience Inc.	19th July 2016	01-Apr-2024 to 31-Mar-2025	USD 85.58	0.02	(394.71)	884.72	1,279.39	-	2170.16	(231.81)	9.11	(240.92)	-	100% (step-down subsidiary
2.	Aragen Life Sciences B.V.	28th June 2013		EUR 92.32	26.41	9.53	88.59	52.65	-	159.57	11.89	-	11.89	-	100%
3.	Intox Private Limited	13th December 2021		INR	7.60	804.09	986.08	174.39	0.03	435.54	78.89	20.13	58.76	-	76%
4.	Aragen Biologics Private Limited	21st June 2023		INR	630.00	(324.97)	3966.39	3661.36	1154.27	23.91	(357.86)	-	(309.06)	-	100%
5.	Aragen Foundation	21st December 2021		INR	0.10	(0.67)	-	0.57	-	-	(0.18)	-	(0.18)	-	100%

Part B: Associates and Joint Ventures: NIL

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

Sd/- Davinder Singh Brar Chairman DIN: 00068502	Sd/- Keshav Gunupati Venkat Reddy Director DIN: 06593325	Sd/- Manmahesh Kantipudi Whole-time Director & Chief Executive Officer DIN: 05241166	Sd/- Sachin Anand Dharap Chief Financial Officer	Sd/- K Ramakrishna Company Secretary M. No.: F3865

Date: May 28, 2025

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.

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 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, 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 fileds/tables relating to significant processess 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 Membership No.: 225161
Date: 30 May 2025 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.

(ii) (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 alloted pursuant to agreement for sale which is pending registration in the name of the Company.

Subsequent to 31 March 2025, the aforemetioned 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.

(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:

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 subsequentl 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.

(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 (19.39)*	AY 2015-16	Jurisdictional 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.

(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 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 135(6) of the said Act.

For **B S R and Co**
Chartered Accountants
Firm's Registration No.:128510W

R. Vivek
Partner
Membership No.: 225161
ICAI UDIN:25225161BMOQVJ1417

Place: Hyderabad
Date: 30 May 2025

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 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
Membership No.: 225161
ICAI UDIN:25225161BMOQVJ1417

Place: Hyderabad
Date: 30 May 2025

Standalone Balance Sheet
as at March 31, 2025

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

	Notes	As at 31 March 2025	As at 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**

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

	Notes	As at 31 March 2025	As at 31 March 2024
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

for and on behalf of the Board of Directors of
Aragen Life Sciences Limited
CIN: U74999TG2000PLC035826

R Vivek
Partner
Membership No. 225161

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: 05241166

Place: Hyderabad
Date: 30 May 2025

Place: Hyderabad
Date: 28 May 2025

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	For the year ended 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)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement gain/(loss) on defined benefit plans		(16.61)	(13.91)
Income-tax effect on above		4.18	3.50
Items that will be reclassified subsequently to profit or loss			
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
	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

for and on behalf of the Board of Directors of
Aragen Life Sciences Limited
CIN: U74999TG2000PLC035826

R Vivek
Partner
Membership No. 225161

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: 05241166

Place: Hyderabad
Date: 30 May 2025

Place: Hyderabad
Date: 28 May 2025

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	204,414,189	2,044.14
Fresh issued made during the year	12,576,151	125.76
Balance As at 31 March 2025	**216,990,340**	**2,169.90**
Balance As at 01 April 2023	204,414,189	2,044.14
Fresh issued made during the year	-	-
Balance As at 31 March 2024	**204,414,189**	**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	Debenture redemption reserve	Share based payment reserve	Effective portion of cashflow hedge	
Balance as at 31 March 2024	**-**	**(146.87)**	**(462.02)**	**-**	**11,813.38**	**200.00**	**285.80**	**37.31**	**11,727.60**
Profit for the year	-	-	-	-	2,497.36	-	-	-	2,497.36
Other comprehensive income, net of Income tax	-	-	-	-	(12.43)	-	-	(102.91)	(115.34)
Recognition of share based payments	-	-	-	-	-	-	39.71	-	39.71
Contribution towards employees of Subsidiary	-	-	-	-	-	-	9.85	-	9.85
Dividends	-	-	-	-	(404.03)	-	-	-	(404.03)
Issue of fresh shares	6,211.74	-	-	-	-	-	-	-	6,211.74
Expenses on issue of shares	(143.43)	-	-	-	-	-	-	-	(143.43)
Amount transferred with in reserves	-	-	-	17.74	200.00	(200.00)	(17.74)	-	0.00
Exercise of employee stock options	(1.15)	10.56	-	-	-	-	(2.49)	-	6.92
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	**-**	**(146.87)**	**(462.02)**	**-**	**10,471.47**	**200.00**	**173.86**	**(107.66)**	**10,128.78**
Profit for the year	-	-	-	-	1,887.66	-	-	-	1,887.66
Other comprehensive income, net of Income tax	-	-	-	-	(10.41)	-	-	144.97	134.56
Recognition of share based payments	-	-	-	-	-	-	95.14	-	95.14
Contribution towards employees of Subsidiary	-	-	-	-	-	-	16.80	-	16.80
Dividends paid	-	-	-	-	(535.34)	-	-	-	(535.34)
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

R Vivek
Partner
Membership No. 225161

Place: Hyderabad
Date: 30 May 2025

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: 05241166

Place: Hyderabad
Date: 28 May 2025

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)**

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

	For the year ended	
	31 March 2025	31 March 2024
Cash flow from financing activities		
Issue of equity shares including securities preimium(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
ICAI Firm Registration No: 128510W

for and on behalf of the Board of Directors of
Aragen Life Sciences Limited
CIN: U74999TG2000PLC035826

R Vivek
Partner
Membership No. 225161

Davinder Singh Brar
Chairman
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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

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.

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.

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.

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 affect 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:
  - o the Company has the right to operate the asset; or
  - o 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.

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.

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.

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.

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 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 it 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.

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.

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

(a) Property, plant and equipment

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

	Land (refer note (i))	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)	(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	-	-	(2.31)	(154.48)	(5.09)	(0.02)	(0.72)	(56.69)	-	(219.31)
Relcassified to Investment property (refer note 3C)	-	(61.72)	-	-	-	-	-	-	-	(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)
Relcassified 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)										
31 March 2025	**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	2,276.09	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 borrwoings 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

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

Particulars	As at 31 March 2025	As at 31 March 2024
Relevant line item in the Balance sheet	Property, Plant and Equipment	
Description of item of property	Land	
Gross carrying value	47.95	47.95
Title deeds held in the name of	Refer Note (i) above	
Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	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	As at 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**

Ageing for capital work-in-progress:
31 March 2025

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	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				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
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 schedue for Overdue projects:
31 March 2025

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

31 March 2024

	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
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	As at 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	-	9.85
Salaries and contract services	0.83	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 borrwoings during the current and previous financial year.

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.

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

	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**

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

(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**

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**

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

3C Investment property under development

	As at	
	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

	As at	
	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**

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

IPUD Completion schedue 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

(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: 577600) 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.

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

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**

6 Loans

	As at	
Non-current	31 March 2025	31 March 2024
(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.

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

(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 with in 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.

(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.

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

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.

(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**

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

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	1-2 years	2-3 years	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**	**4,034.21**
Expected Loss Rate	0.00%	0.00%	45.55%	67.31%	100.00%	100.00%	
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	1-2 years	2-3 years	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**

(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**
*includes deposits paid under protest of ₹ 41.59 (31 March 2024: ₹ 19.10)		
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).

(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	250,000,000	2,500.00	250,000,000	2,500.00
	250,000,000	**2,500.00**	**250,000,000**	**2,500.00**
Issued, subscribed and fully paid-up				
Equity shares of ₹10 each	204,414,189	2,044.14	204,414,189	2,044.14
Add: Shares issued during the year (refer note (e) below)	12,576,151	125.76		-
	216,990,340	**2,169.90**	**204,414,189**	**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	204,414,189	2,044.14	204,414,189	2,044.14
Add: Shares issued during the year	12,576,151	125.76	-	-
Balance at the end of the year	**216,990,340**	**2,169.90**	**204,414,189**	**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)	66,898,732	30.83%	68,895,609	33.70%
Mr. Davinder Singh Brar	48,666,474	22.43%	49,664,913	24.30%
WSCPVIII (Singapore) Pte. Ltd.	46,863,372	21.60%	47,605,242	23.29%
Madhubani Investments Private Limited	19,230,696	8.86%	19,230,696	9.41%
Leo Investment Holdings Pte. Ltd	16,605,630	7.65%	-	0.00%
WSCPVIII Emp (Singapore) Pte. Ltd.	8,435,766	3.89%	8,569,308	4.19%
Goldman Sachs Capital Holdings III Pte. Ltd	6,511,984	3.00%	6,615,072	3.24%

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

(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	48,666,474	22.43%	-1.87%	49,664,913	24.30%
Gunupati Aparna Reddy (as a Trustee of Reddy Investment Trust)	66,898,732	30.83%	-2.87%	68,895,609	33.70%
Madhubani Investments Private Limited	19,230,696	8.86%	-0.55%	19,230,696	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	136,276,126

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

(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*	1,125,000	12.72	10.00 to 56.67	1,125,000	12.72	10.00 to 56.67
Granted during the year	-			-	-	
Forfeited/lapsed during the year	-			-	-	
Exercised during the year	128,892	11.47	10.00 to 16.67	-	-	
Outstanding at end of the year	996,108	12.72	10.00 to 56.67	1,125,000	12.72	10.00 to 56.67
Exercisable at the end of the year	996,108	12.72	10.00 to 56.67	1,125,000	12.72	10.00 to 56.67

*Adjusted for Bonus issue

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

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*	2,388,207	122.98	78.47 to 234.00	2,407,332	122.98	78.47 to 234.00
Granted during the year	-			-	-	
forfeited/lapsed during the year	455,115	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	1,863,689	122.98	78.47 to 234.00	2,388,207	122.98	78.47 to 234.00
Exercisable at the end of the year	1,746,689	141.00	78.47 to 234.00	2,081,307	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*	666,983	10.00	10.00	355,585	10.00	10.00
Granted during the year	593,461	10.00	10.00	362,240	10.00	10.00
forfeited/lapsed during the year	217,207	10.00	10.00	50,842	10.00	10.00
Exercised during the year	-			-		
Outstanding at end of the year	1,043,237	10.00	10.00	666,983	10.00	10.00
Exercisable at the end of the year	449,776	10.00	10.00	304,743	10.00	10.00

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

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).

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 excerice 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**

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

	As at	
	31 March 2025	**31 March 2024**
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 Inogent 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.

(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	**(2,398,356)**	**(146.87)**
Add: Shares disposed during the year	-	-
As at 31 March 2024	**(2,398,356)**	**(146.87)**
Add: Shares disposed during the year	198,295	10.56
As at 31 March 2025	**(2,200,061)**	**(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**

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

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 indebtness, 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.

(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**

* Includes Interest accrued on MSME dues ₹ 3.80 (31 March 2024: ₹4.48).

Note (iv) Sensitivity:

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

		Impact on profit after tax	
	Change in Rate	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**

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

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

(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	-	-	-	-	-	-
	-	-	-	-	-	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.

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

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**

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	-

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

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**

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

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.

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**

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.

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

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**

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

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**

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.

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

Impact on defined benefit obligation

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

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

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.

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	63.72	61.77
Payment to Auditors (refer note a)	7.39	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**

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

(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	3,289.22	2,517.19
Tax at statutory income tax rate 25.17% (31 March 2024 - 25.17%)	827.83	633.58
Tax effects of amounts which are not deductible / (taxable) in calculating taxable income		
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**

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

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).

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
Derivative instruments	(22.05)	12.56
Others	21.93	3.54
	127.94	**85.19**
Deferred income tax assets		
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**

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

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
	85.19	**77.36**	**(34.61)**	**127.94**
Deferred tax assets:				
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
	63.15	**(26.72)**	**48.76**	**85.19**
Deferred tax assets:				
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**

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

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*	204,840,898	202,015,833
Nominal value per equity share	₹10	₹10
Effect of dilution:		
- Stock options granted under ESOP	3,033,691	2,949,725
Weighted average number of equity shares used in computation of diluted EPS*	**207,874,589**	**204,965,558**

*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 theses financial statements.

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

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.

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

(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.

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.

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

(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.

(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.

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

(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.

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	2,006.18	583.62
Less than 1 year		
- Borrowings	2,768.97	4,195.10
- Other financial liabilities	1,321.96	853.29
- Trade payables	1,380.33	1,123.69
- Lease liabilities	157.36	110.01
1 to 2 years		
- Borrowings	346.88	1,350.00
- Lease liabilities	139.53	139.17
2 to 5 years		
- Borrowings	112.50	459.38
- Lease liabilities	303.13	75.10
> 5 years		
- 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.

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

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.

(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.

	Fair value measurement using				Total
	Date of Valuation	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

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

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

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.

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

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	Key management personnel (KMP)
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 (formerly GVK Davix Research 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)		

(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
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

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

	For the year ended	
	31 March 2025	31 March 2024
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	1,152.07	-
Conversion of Receivables into Preference shares	399.40	
Investment in Preference shares of subsidiary	1,390.00	-
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 – Excelra Knowledge Solutions Private Limited		
Shared services provided	1.23	1.73
Rental Income	-	0.06
Reimbursement of expenses	-	0.02

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

36 Related party disclosures (continued)

	For the year ended	
	31 March 2025	**31 March 2024**
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.

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

(c) Balances receivable/(payable)

	For the year ended	
	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	664,488	765,000
1 November 2011	31 October 2015	16.67	187,620	216,000
1 July 2017	30 June 2021	78.47	633,809	656,957
1 July 2021	30 June 2022	78.47	196,542	196,542
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	115,097	-
Total			**1,905,162**	**1,996,384**

(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	-

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

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.

(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

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

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

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

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

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**
% variance from previous year	**7.39%**	

Reason for variance more than 25%: Not applicable

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 enetered 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.

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

(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

Place: Hyderabad
Date: 30 May 2025

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

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: 05241166

Place: Hyderabad
Date: 28 May 2025

To the Members of Aragen Life Sciences Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Aragen Life Sciences Limited (hereinafter referred to as the "Holding Company") its employee welfare trust and its subsidiaries (Holding Company, its employee welfare trust and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2025, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements as were audited by the other auditors, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31 March 2025, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matter" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Management's and Board of Directors'/ Board of Trustees' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies and trust included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and trust and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors /Board of trustess of the companies and the trust included in the Group are responsible for assessing the ability of each company and trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors /Board of trustess of the companies and the trust included in the Group are responsible for overseeing the financial reporting process of each company and trust.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal 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 consolidated 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 appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matter

a. We did not audit the financial statements of four subsidiaries and one trust, whose financial statements reflects total assets (before consolidation adjustments) of Rs.5,216.93 millions as at 31 March 2025, total revenues (before consolidation adjustments) of Rs.619.04 millions and net cash inflows (before consolidation adjustments) amounting to Rs. 275.68 millions for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

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, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and trsut, as were audited by other auditors, as noted in the "Other Matter" paragraph, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company on 1 April 2025 and 29 April 2025 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India 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 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(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 Holding Company and its subsidiary companies incorporated in India 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 and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2025 on the consolidated financial position of the Group. Refer Note 39 to the consolidated financial statements.

b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 18 to the consolidated financial statements in respect of such items as it relates to the Group.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2025.

d (i) The management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, other than as disclosed in the Note 44(vi) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies 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 Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, other than as disclosed in the Note 44(vii) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies 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 performed by us and that performed by the auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Holding 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 consolidated financial statements, the Board of Directors of the Holding Company have 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. (i) Based on our examination which included test checks, the Holding Company has used 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) the database level to log any direct data changes; and (ii) the application level for certain fields/tables relating to significant processes of the Holding 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 Holding Company as per the statutory requirements for record retention.

(ii) Based on our examinationperformed by the respective auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act,its subsidiary companies have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, respective auditors of such subsidiary companies did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the above referred subsidiaries 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 during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The subsidiary companies incorporated in India have not paid any remuneration to its directors during the year. 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
Membership No.: 225161
ICAI UDIN:25225161BMOQVK3763

Place: Hyderabad
Date: 30 May 2025

Annexure A to the Independent Auditor's Report on the Consolidated 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)

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Aragen Life Sciences Limited	U74999TG2000PTC035826	Holding Company	Clause (i)(c), (iii)(c), (iii)(d)
2	Aragen Biologics Private Limited	U21001TS2023PTC174243	Subsidiary Company	Clause (xvii)

For **B S R and Co**
Chartered Accountants
Firm's Registration No.:128510W

R. Vivek
Partner
Membership No.: 225161
ICAI UDIN:25225161BMOQVK3763

Place: Hyderabad
Date: 30 May 2025

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

In conjunction with our audit of the consolidated financial statements of Aragen Life Sciences Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, 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 such companies considering the essential components of such internal controls 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 respective 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 respective 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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 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.

Other Matter(s)

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of above matters.

For **B S R and Co**
Chartered Accountants
Firm's Registration No.:128510W

R. Vivek
Partner
Membership No.: 225161
ICAI UDIN:25225161BMOQVK3763

Place: Hyderabad
Date: 30 May 2025

Consolidated Balance Sheet
as at March 31, 2025

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

	Notes	As at 31 March 2025	As at 31 March 2024
Assets			
Non-current assets			
Property, plant and equipment	3	12,136.00	10,439.82
Capital work-in-progress	3	4,337.77	3,117.49
Goodwill	4	1,618.13	1,618.13
Other Intangible assets	5	172.89	252.75
Right-of-use assets	3A	958.85	707.62
Financial assets			
- Investments	6	2.05	2.05
- Other financial assets	7	188.09	130.71
Deferred tax assets (net)	28	91.38	79.73
Other Income tax assets (net)	28	225.85	235.12
Other non-current assets	11	95.94	166.15
Total Non-current assets		**19,826.95**	**16,749.57**
Current assets			
Inventories	8	823.11	721.46
Financial assets			
- Trade receivables	9	4,362.95	3,503.59
- Cash and cash equivalents	10	731.37	1,059.90
- Bank balances other than cash and cash equivalents	10	2,171.06	798.06
- Other financial assets	7	2,242.60	81.78
Other current assets	11	984.21	980.38
		11,315.30	**7,145.17**
Assets held for sale	3B	-	83.09
Total current assets		**11,315.30**	**7,228.26**
Total assets		**31,142.25**	**23,977.83**

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

	Notes	As at 31 March 2025	As at 31 March 2024
Equity and liabilities			
Equity			
Equity share capital	12	2,169.90	2,044.14
Other equity	13	18,403.87	11,001.31
Equity attributable to the owners of the Company		**20,573.77**	**13,045.45**
Non-controlling interest	14	572.68	567.58
Total equity		**21,146.45**	**13,613.03**
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	15	1,410.00	1,809.38
- Lease Liabilities	3A	575.31	424.37
- Other financial liabilities	18	4.00	4.00
Provisions	16	318.73	261.82
Deferred tax Liabilties (net)	28	4.47	-
Total Non-current liabilities		**2,312.51**	**2,499.57**
Current liabilities			
Financial liabilities			
- Borrowings	15	3,364.78	4,645.32
- Lease Liabilities	3A	220.43	173.73
- Trade payables	17		
- Total outstanding dues of micro enterprises and small enterprises; and		242.94	229.40
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,323.54	961.89
- Other financial liabilities	18	1,601.51	952.78
Other current liabilities	19	595.49	629.78
Provisions	16	216.95	194.12
Current tax liabilities (net)	28	117.65	78.21
Total current liabilities		**7,683.29**	**7,865.23**
Total liabilities		**9,995.80**	**10,364.80**
Total equity and liabilities		**31,142.25**	**23,977.83**
Group overview & Material accounting policies	1 & 2		

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

As per our report on consolidated financial statements of even date attached

For B S R and Co
Chartered Accountants
ICAI Firm Registration No: 128510W

for and on behalf of the Board of Directors of
Aragen Life Sciences Limited
CIN: U74999TG2000PLC035826

R Vivek
Partner
Membership No. 225161

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: 05241166

Place: Hyderabad
Date: 30 May 2025

Place: Hyderabad
Date: 28 May 2025

Consolidated 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	For the year ended 31 March 2024
Income			
Revenue from operations	20	18,451.07	16,575.77
Other income	21	251.85	170.98
Total income		**18,702.92**	**16,746.75**
Expenses			
Cost of materials consumed	22	1,605.81	1,541.16
Changes in inventories of work-in-progress and finished goods	23	(30.27)	(67.44)
Cost of Chemicals,reagents,consumables consumed	23	3,120.29	2,447.01
Employee benefits expense	24	6,173.53	5,721.74
Finance costs	25	362.35	330.86
Depreciation and amortisation expense	26	1,858.71	1,917.90
Other expenses	27	3,048.81	2,607.19
Total expenses		**16,139.23**	**14,498.42**
Profit before tax		**2,563.69**	**2,248.33**
Tax expense			
(a) Current tax	28	728.10	701.99
(b) Deferred tax expense/(benefit)	28	31.79	(54.70)
Total tax expense		**759.89**	**647.29**
Profit for the year		**1,803.80**	**1,601.04**
Other comprehensive income ("OCI")			
Items that will be reclassified to profit or loss			
Effective portion of gain/(loss) on hedging instruments in cash flow hedges		(137.42)	194.88
Exchange differences on translating the financial statements of foreign operations		(2.87)	1.06
Income-tax effect on effective portion of cashflow hedge	28	34.59	(49.05)
		(105.70)	**146.89**
Items that will not be reclassified to profit or loss			
Remeasurement losses on defined benefit plan		(17.38)	(14.70)
Income-tax effect on above	28	4.38	3.70
		(13.00)	**(11.00)**
Total other comprehensive income/(loss), net of tax		**(118.70)**	**135.89**
Total comprehensive income for the period		**1,685.10**	**1,736.93**
Profit for the year attributable to:			
Equity holders of the Holding Company		1,798.57	1,581.19
Non controlling interest		5.23	19.85
Other comprehensive income/ (loss) for the year attributable to:			
Equity holders of the Holding Company		(118.57)	135.82
Non controlling interest		(0.13)	0.07
Total comprehensive income for the year attributable to:			
Equity holders of the Holding Company		1,680.00	1,717.01
Non controlling interest		5.10	19.92
Earnings per equity share (EPS)	29		
(a) Basic (In ₹)		8.78	7.83
(b) Diluted (In ₹)		8.65	7.71
Group overview and Material accounting policies	1 & 2		

The notes referred to above form an integral part of these consolidated financial statements.
As per our report on consolidated financial statements of even date attached

For B S R and Co
Chartered Accountants
ICAI Firm Registration No: 128510W

for and on behalf of the Board of Directors of
Aragen Life Sciences Limited
CIN: U74999TG2000PLC035826

R Vivek
Partner
Membership No. 225161

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: 05241166

Place: Hyderabad
Date: 30 May 2025

Place: Hyderabad
Date: 28 May 2025

Consolidated 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	204,414,189	2,044.14
Fresh issued during the year	12,576,151	125.76
Balance As at 31 March 2025	**216,990,340**	**2,169.90**
Balance As at 01 April 2023	204,414,189	2,044.14
Issued during the year	-	-
Balance As at 31 March 2024	**204,414,189**	**2,044.14**

Consolidated Statement of Changes in Equity (Contd.)
for the year ended 31 March 2025

(b) Other equity (refer note 13)

Particulars	Reserves and Surplus									Items of OCI		Other equity attributable to owners of Holding Company	Non-controlling Interest	Total other equity
	Securities premium	Retained earnings	General reserve	Capital reserve	Share based payment reserve	Debenture redemption reserve	Capital redemption reserve	Gross obligation to non-controlling interest under put options	Treasury shares	Effective portion of cashflow hedge	Foreign currency translation reserve			
Balance as of 01 April 2024	**-**	**11,099.71**	**-**	**(528.34)**	**285.33**	**200.00**	**-**	**(4.00)**	**(146.87)**	**37.23**	**58.25**	**11,001.31**	**567.58**	**11,568.89**
Profit for the year	-	1,798.57	-	-	-	-	-	-	-	-	-	1,798.57	5.23	1,803.80
Other comprehensive income	-	(13.07)	-	-	-	-	-	-	-	(102.83)	(2.87)	(118.77)	(0.13)	(118.90)
Employee stock compensation cost	-	-	-	-	51.56	-	-	-	-	-	-	51.56		51.56
Dividend paid	-	(404.03)	-	-	-	-	-	-	-	-	-	(404.03)		(404.03)
Issue of fresh shares	6,211.74	-	-	-	-	-	-	-	-			6,211.74		6,211.74
Expenses on issue of shares	(143.43)	-	17.74	-	(17.74)	-	-	-	-			(143.43)		(143.43)
Amount transferred with in reserves		200.00	-	-		(200.00)	-	-	-			-		-
Exercise of employee stock options	(1.15)	-	-	-	(2.49)	-	-	-	10.56			6.92		6.92
Balance as of 31 March 2025	**6,067.16**	**12,681.18**	**17.74**	**(528.34)**	**316.66**	**-**	**-**	**(4.00)**	**(136.31)**	**(65.60)**	**55.38**	**18,403.87**	**572.68**	**18,976.55**
Balance as of 01 April 2023	**-**	**10,064.93**	**-**	**(528.34)**	**173.06**	**200.00**	**-**	**(4.00)**	**(146.87)**	**(108.60)**	**57.19**	**9,707.37**	**547.66**	**10,255.03**
Profit for the year	-	1,581.19	-	-	-	-	-	-	-			1,581.19	19.85	1,601.04
Other comprehensive income	-	(11.07)	-	-	-	-	-	-	-	145.83	1.06	135.82	0.07	135.89
Employee stock compensation cost	-		-	-	112.27	-	-	-	-			112.27		112.27
Dividend paid	-	(535.34)	-	-	-	-	-	-	-			(535.34)		(535.34)
Balance as of 31 March 2024	**-**	**11,099.71**	**-**	**(528.34)**	**285.33**	**200.00**	**-**	**(4.00)**	**(146.87)**	**37.23**	**58.25**	**11,001.31**	**567.58**	**11,568.89**

The notes referred to above form an integral part of these consolidated financial statements.
As per our Report on consolidated financial statements of even date attached

For B S R and Co
Chartered Accountants
ICAI Firm Registration No: 128510W

for and on behalf of the Board of Directors of
Aragen Life Sciences Limited
CIN: U74999TG2000PLC035826

R Vivek
Partner
Membership No. 225161

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: 05241166

Place: Hyderabad
Date: 30 May 2025

Place: Hyderabad
Date: 28 May 2025

Consolidated 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	**2,563.69**	**2,248.33**
Adjustments for:		
Depreciation and amortisation expense	1,858.71	1,917.90
Interest income	(177.40)	(71.99)
Liabilities no longer required written-back	(17.85)	(21.02)
Loss/(gain) on sale of property, plant and equipment	0.76	(4.07)
Interest expense	362.35	330.86
Employee stock compensation expense	51.56	114.76
IPO write off & CSR expenses	106.75	-
(Reversal)/provision for doubtful debts, net	8.71	(0.94)
Bad debts write off	-	55.04
Unrealised foreign exchange fluctuation (gain)/loss	(22.66)	(59.25)
Income from Production linked incentive (PLI)	(100.00)	-
Adjustments for working capital changes:		
(Increase)/ Decrease in inventories	(101.65)	(61.80)
(Increase)/ Decrease in trade receivables	(807.60)	(145.17)
(Increase)/ Decrease in other financial assets	(88.82)	(18.17)
(Increase)/Decrease in other current assets	(155.42)	47.79
Increase/ (Decrease) in trade payables	389.79	70.34
Increase/ (Decrease) in other financial liabilities	64.58	134.08
Increase/(Decrease) in provisions	62.36	66.02
Increase/ (Decrease) in other current liabilities	38.62	54.79
Cash generated from operations	**4,036.48**	**4,657.50**
Income-tax paid	(679.39)	(771.77)
Net cash generated from operating activities	**3,357.09**	**3,885.73**
Cash flow used in investing activities		
Purchase of property, plant and equipment incl. Capital work in progress and Capital advances	(3,694.64)	(3,875.10)
Proceeds from sale of property, plant and equipment	0.30	22.18
Redemption of/(Investment in) fixed deposits, net	(3,429.27)	392.23
Finance and interest income received	133.73	71.99
Net cash used in investing activities	**(6,989.88)**	**(3,388.70)**
Cash flow from financing activities		
Proceeds from issue of equity shares	6,194.07	-
Amount received on exercise of shares	6.92	-
Payment of dividends	(404.03)	(535.34)
Proceeds from long-term borrowings	1,170.00	1,000.00
Repayment of Long-term borrowings	(2,756.27)	(821.60)

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

	For the year ended	
	31 March 2025	31 March 2024
Proceeds from/(repayment of) short-term borrowings, net	(92.61)	1,013.15
Principal payment of lease liabilities	(287.02)	(148.37)
Interest expense paid	(527.65)	(449.06)
Net cash generated from financing activities	**3,303.41**	**58.78**
Net (decrease)/increase in cash and cash equivalents	(329.38)	555.81
Cash and cash equivalents at the beginning of the year	1,059.90	503.76
Effect of exchange differences on cash and cash equivalents held in foreign currency	0.85	0.33
Cash and cash equivalents at the end of the year	**731.37**	**1,059.90**
Cash and cash equivalents comprise(Refer Note 10)		
Balances with banks		
On current accounts	413.75	269.79
Fixed deposits with maturity of less than 3 months	317.23	790.00
Cash on hand	0.39	0.11
Total cash and cash equivalents at end of the year	**731.37**	**1,059.90**

The above consolidated cash flow statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard - 7 on Statement of Cash Flows.

Refer note 15 for Reconciliation of Liabilities from Financing Activities

Refer note 15 for Reconciliation of Liabilities from Financing Activities

For B S R and Co
Chartered Accountants
ICAI Firm Registration No: 128510W

for and on behalf of the Board of Directors of
Aragen Life Sciences Limited
CIN: U74999TG2000PLC035826

R Vivek
Partner
Membership No. 225161

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: 05241166

Place: Hyderabad
Date: 30 May 2025

Place: Hyderabad
Date: 28 May 2025

Group overview

The consolidated financial statements comprise the financial statements of Aragen Life Sciences Limited *(formerly known as Aragen Life Sciences Private Limited)* ("the Company" or "the Holding Company") and its subsidiaries and trust (collectively referred to as "the Group") for the year ended 31 March 2025. The Group was incorporated in the year 2000 under the provisions of the Companies Act, 1956. The Group is primarily engaged in providing contract research and development services and manufacturing of pharmaceutical products to global Pharmaceutical and Biotechnology companies. The Company's headquarter is located at 28 A, IDA Nacharam, Hyderabad, Telangana 500076, India. The Group has its operations based out of India, United States of America and Netherlands.

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 Holding 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 Holding Company has redeemed these debentures during the year ended 31 March 2025.

List of subsidiaries with percentage holding

Subsidiaries	Country of incorporation	% of holding	
		31 March 2025	31 March 2024
Aragen Bioscience, Inc.	United States of America	100.00%	100.00%
Aragen Life Sciences BV (formerly GVK Biosciences BV)	Netherlands	100.00%	100.00%
Intox Private Limited	India	76.00%	76.00%
Aragen Foundation	India	100.00%	100.00%
Aragen Biologics Private Limited	India	100.00%	100.00%

Holding Company for all the above subsidiaries is Aragen Life Sciences Limited *(formerly known as Aragen Life Sciences Private Limited)*. The principal activities of the above subsidiaries include providing contract research and development services and manufacturing of pharmaceutical products.

Aragen Life Sciences Limited *(formerly known as Aragen Life Sciences Private Limited)* is the sponsoring entity of Employee Stock Option Plan ('ESOP') trust. Management of the Company can appoint and remove the trustees and provide funding to the trust for buying the shares. Basis assessment by the management, it believes that the ESOP trusts are designed to be controlled by the Company and therefore it needs to be consolidated under Ind AS 110.

List of trusts that are consolidated

- Aragen Employees Welfare Trust *(formerly GVK Bio Employees Welfare Trust)*

1. Basis of Preparation

(a) Statement of compliance

The Consolidated 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).

These consolidated 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 Group 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 realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised 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 Group 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 Group 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 realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(d) Foreign currencies:

The Group's consolidated financial statements are presented in Indian Rupees (₹), which is also the Holding Company's functional and presentation currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

The consolidated financial statements are rounded off 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 denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences

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

Group companies

Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. Statement of profit and loss have been translated using weighted average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in the statement of changes in equity.

(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 Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 categorisation at the end of each reporting period.

2. Material Accounting policies

(a) Basis of consolidation:

Subsidiaries including trust:

Subsidiaries are entities over which the Group has control. The consolidated financial statements comprise the financial statements of the Company, its controlled trusts and its subsidiaries as at 31 March 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights; and
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e., year ended on 31 March.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Holding company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

(b) Business combinations and goodwill

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognized in the statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognized as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognized as capital reserve. Goodwill is initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

(c) Business combination under common control transactions

Business combinations involving entities that are controlled by the group are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustment is made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonize accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

(d) Revenue recognition

The Group recognises revenue in accordance with Ind-AS 115 'Revenue from Contracts with Customers'.

Contract research services and Pharmaceutical Products Sales.

The Group derives revenues primarily from Contract research services and Pharmaceutical Products Sales. Revenue is recognised 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 is recognised as services are rendered, in accordance with the terms of the contracts.

Revenues relating to fixed price contracts are recognised based on the percentage of completion method determined based on efforts expended as a proportion to total estimated efforts. The Group 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 recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods 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 Group in exchange for its goods may be fixed or variable. Variable consideration is only recognised 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 Group does not adjust the promised amount of consideration for the effects of any significant financing component.

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

(e) Taxes

Tax expense comprises of current and deferred tax.

Current income tax

Income tax expense is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity in which case it is recognised in other comprehensive income. Current income tax for current year and prior periods is recognised 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 recognised 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 recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised 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 recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity in which case it is recognised 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.

(f) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation, impairment losses and specific grant/ subsidies, if any. Cost comprise 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 capitalised. Indirect expenditure is capitalised 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 recognised in the statement of profit and loss as incurred.

The Group adopted cost model as its accounting policy, in recognition of property, plant and equipment and recognizes transaction vale 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 capitalised 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 property, plant and equipment 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.

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 charged to the 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/ (upto) 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 Act 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 lease period or the useful lives as determined by management, whichever is lower.

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

(g) 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 amortisation 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 recognised in the Statement of Profit or Loss when the asset is derecognised.

Amortization

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

Technology related intangibles acquired

Intangible assets purchased or acquired in business combination, are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortization and impairment, if any.

Amortization of technology

Intangible assets are amortized on a straight-line basis over the estimated useful economic life which in this case estimated to be five years. Further, the amortization period and the amortization method are reviewed atleast once at each financial year end.

Customer relationships intangible assets acquired

Intangible assets purchased or acquired in business combination, are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortization and impairment, if any.

Amortization of Customer relationships intangible assets

The intangible assets are amortised over a period of five years as per management's estimate of its useful life, based on the life over which economic benefits are expected to be realised.

(h) Leases

At inception of a contract, the Group 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 Group 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 Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group 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 Group has the right to direct the use of the asset if either:
    - o the Group has the right to operate the asset; or
    - o the Group 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 Group 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 Group 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 Group recognises 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 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 Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

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 Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised 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 Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group 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 Group presents right-of-use assets and lease liabilities separately in the Balance sheet.

Short-term leases and leases of low-value assets:

The Group has elected not to recognise 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.

(i) 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 Group 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 cost 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, labour and manufacturing overheads.

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

Net realisable 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 realisable value is made on an item-by-Item basis.

(j) Impairment of non-financial assets

The Group 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 asset's 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.

To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group 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 recognised in the statement of profit and loss.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill is not reversed in future periods. Intangible assets with indefinite useful lives are tested for impairment annually as at 31 March at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

(k) Contingent liabilities and Provisions

A provision is recognised when the Group 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 recognised 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 recognised 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 Group 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 Group recognises any impairment loss on the assets associated with that contract.

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

(l) Retirement and other employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

The Group'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 Group makes specified monthly contributions towards Government administered Provident Fund scheme. Obligations for contributions to defined contribution plans are recognised 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 recognised as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognised in the Balance Sheet. Re-measurements are recognised 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 Group, the recognised 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 recognised 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 recognised in profit or loss.

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 recognised immediately in profit or loss. The Group recognises 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 recognised 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 recognised in the Statement of Profit and Loss in the period in which they occur

(m) Share based payments

The Group 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 recognised, 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 recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group'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 recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised 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.

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

(n) Financial instruments

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

Financial assets

Initial recognition and measurement:

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 recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group 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 amortised cost if both the following conditions are met: a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit or Loss. The losses arising from impairment are recognised in the Statement of Profit or Loss. This category generally applies to trade and other receivables. For more information on receivables, refer note 9.

Equity instruments

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at fair value through profit or loss. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition

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

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

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement.

Offsetting

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

Derivative financial instruments and hedge accounting

The Group 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 recognised in statement of profit and loss.

The Group 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 Group documents the risk management objective and strategy for undertaking the hedge. The Group 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 recognised 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 recognised 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 Group 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 amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the consolidated 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 recognised from initial recognition of the receivables. As a practical expedient, the Group 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 analysed. 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 recognised in the consolidated statement of profit and loss.

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 recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group'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 Group 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 recognised 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 amortised 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. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings. For more information, refer Note 15.

Financial guarantee contract

Financial guarantee contracts issued by the Group 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 recognised 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 recognised less cumulative amortisation.

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 recognised as part of the cost of the investment.

Derecognition

A financial liability is derecognised 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 recognised in the statement of profit or loss.

Reclassification of financial assets

The Group 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 Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group 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 Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised 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 recognised 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.

(o) Treasury shares:

The Group has created a Aragen Employees Welfare Trust *(formerly GVK Bio Employees Welfare Trust)* for providing share-based payment to its employees. The Group uses the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Trust buys shares of the Group from the employees, for future grants to employees in pursuant to the Employee Stock Option Scheme. The Group 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 recognised at cost and deducted from equity of the Group. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in reserve. Share options exercised during the reporting period are satisfied with treasury shares.

(p) 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 Group's cash management.

(q) Investments

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

Non-current investments are carried at cost. However, provision for diminution in value is made to recognise 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 Group 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.

(r) 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.

(s) 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 Group are segregated.

(t) Government grants

The Company recognises 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 recognised as deferred income and amortised over the useful life of such asset. Grants related to income are recognised 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.

(u) Segment reporting

Segments are identified taking into consideration the internal organization and management structure as well as the differential risk and returns of the segment in accordance with the requirements of Ind AS 'Operating Segment".

- Based on Group's business model, providing contract research and development services has been considered as the only reportable business segment and hence no separate financial disclosures are provided in respect of its single business segment.
- Geographical-wise details of the Group's revenues from external customers and its non-current assets (other than financial instruments, investments accounted for using the equity method, deferred tax assets and post-employment benefit assets) are specified in note 36.

(v) 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.

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

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(n) – impairment of financial assets.
- Note 2(j) – impairment test of other assets;
- Note 2(k) – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 2(e) - 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(l) – measurement of defined benefit obligations: key actuarial assumptions;
- Note 2(n) - measurement of ECL allowance for trade receivables and contract assets.

(x) Dividends

Dividend income is recognised when the Group's right to receive dividend is established, which is generally when shareholders approve the dividend by the reporting date.

Interest Income

Interest income is recognised 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.

(a) 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.

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(b) – Impairment of goodwill
- Note 2(n) – impairment of financial assets.
- Note 2(j) – impairment test of other assets;
- Note 2(k) – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 2(e) - 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(l) – measurement of defined benefit obligations: key actuarial assumptions;
- Note 2(n) - measurement of ECL allowance for trade receivables and contract assets.

(y) 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 Group. The Group 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 consolidated financial statements.

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

(a) Property, plant and equipment

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

	Land (refer note (i))	Buildings*	Plant & Equipment	Laboratory equipment	Furniture and fixtures	Vehicles	Office equipment	Computer and related equipment	Leasehold improvements	Total
Cost or deemed Cost										
As at 31 March 2023	**289.99**	**2,706.65**	**1,738.14**	**8,621.32**	**677.77**	**8.13**	**1,431.50**	**344.24**	**376.79**	**16,194.53**
Additions during the year	67.41	219.80	418.41	943.19	172.54	1.43	208.46	81.32	9.68	2,122.24
Disposals during the year	-	-	(24.19)	(24.91)	(0.23)	-	(6.62)	(3.77)	-	(59.72)
Foreign currency translation reserve	-	-	-	8.24	-	-	0.36	-	4.96	13.56
As at 31 March 2024	**357.40**	**2,926.45**	**2,132.36**	**9,547.84**	**850.08**	**9.56**	**1,633.69**	**421.79**	**391.43**	**18,270.61**
Additions during the year	-	720.84	744.35	1,077.16	171.86	1.12	379.99	119.33	40.43	3,255.08
Disposals/other adjustment during the year	(6.62)	-	(3.56)	43.94	(5.09)	(0.02)	8.88	(56.70)	(7.54)	(26.71)
Foreign currency translation reserve	-	-	-	20.20	-	-	0.92	0.01	10.12	31.25
As at 31 March 2025	**350.78**	**3,647.29**	**2,873.15**	**10,689.14**	**1,016.85**	**10.66**	**2,023.48**	**484.43**	**434.44**	**21,530.23**
Accumulated depreciation										
As at 31 March 2023	**-**	**458.55**	**466.00**	**3,886.46**	**273.65**	**3.10**	**643.42**	**203.46**	**247.57**	**6,182.21**
Charge for the year	-	106.03	134.15	1,088.47	66.46	0.84	163.07	74.10	47.76	1,680.88
Disposals during the year	-	-	(24.19)	(1.36)	(0.23)	-	(6.21)	(9.63)	-	(41.61)
Foreign currency translation reserve	-	-	-	6.12	-	-	0.31	-	2.88	9.31
As at 31 March 2024	**-**	**564.58**	**575.96**	**4,979.69**	**339.88**	**3.94**	**800.59**	**267.93**	**298.21**	**7,830.78**
Charge for the year	-	134.62	161.92	822.00	85.93	1.09	193.82	84.84	68.51	1,552.73
Disposals/other adjustment during the year	-	-	(1.87)	38.30	(4.99)	(0.02)	10.87	(56.66)	0.58	(13.79)
Foreign currency translation reserve	-	-	-	15.54	-	-	0.80	-	8.14	24.49
As at 31 March 2025	**-**	**699.20**	**736.01**	**5,855.53**	**420.82**	**5.01**	**1,006.08**	**296.11**	**375.44**	**9,394.23**
Net carrying amount as at										
As at 31 March 2025	**350.78**	**2,948.09**	**2,137.14**	**4,833.61**	**596.03**	**5.65**	**1,017.39**	**188.32**	**59.00**	**12,136.00**
As at 31 March 2024	357.40	2,361.87	1,556.40	4,568.15	510.20	5.62	833.10	153.86	93.22	10,439.82

Note (i):

^ Includes Land amounting to ₹ 47.95 (31 March 2024: ₹ 47.95) allotted to the Group pursuant to the agreement for sale of land with Telangana State Industrial Infrastructure Corporation Limited (formerly Andhra Pradesh Industrial Infrastructure Corporation Limited), which was pending registration as at 31 March 2025 . The said land has been registered in the name of Group on 8th May 2025.

Refer note 15 for the details of assets pledged against borrowings.

Refer note 38 for disclosure of contractual commitments for the acquisitions of property, plant and equipment.

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

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

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

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 ₹4,337.77(31 March 2024: ₹3,117.49). The balance of expenditure during construction period pending allocation as at 31 March 2025 is ₹289.10 (31 March 2024: ₹212.46).

Particulars	As at	
	31 March 2025	31 March 2024
Balance at the beginning of the year	3,117.49	1,695.75
Less: Capitalised during the year	(3,282.07)	(2,243.44)
Add: Additions to CWIP during the year	4,502.35	3,665.18
Balance at the end of the year	**4,337.77**	**3,117.49**

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

Ageing for capital work-in-progress as at 31 March 2025 is as follows:

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,965.95	825.77	522.81	23.24	4,337.77
Projects temporarily suspended	-	-	-	-	-
Total	**2,965.95**	**825.77**	**522.81**	**23.24**	**4,337.77**

CWIP Completion schedule for Overdue projects for Overdue projects as at 31 March 2025

	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	580.63	-	-	-	580.63
Project 2	586.59	-	-	-	586.59
Project 3		-	-	-	
Total	**1,764.53**	**-**	**-**	**-**	**1,764.53**

Ageing for capital work-in-progress as at 31 March 2024 is as follows:

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,882.25	1,147.08	44.20	43.96	3,117.49
Projects temporarily suspended	-	-	-	-	-
Total	**1,882.25**	**1,147.08**	**44.20**	**43.96**	**3,117.49**

CWIP Completion schedule for Overdue projects for Overdue projects as at 31 March 2024

	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	1.40	-	-	-	1.40
Project 2	254.40	-	-	-	254.40
Total	**255.80**	**-**	**-**	**-**	**255.80**

Project execution plans are modulated basis capacity requirement assessment on an annual basis and all the projects are executed as per rolling annual/ revised 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	212.46	14.79
Interest	185.59	134.35
Legal and professional charges	0.20	9.85
Salaries and contract services	36.80	32.74
Lease rentals	-	0.24
Power and fuel	2.60	10.40
Others	6.35	20.76
Less: Capitalised during the year	(154.90)	(10.67)
Balance at the end of the year	**289.10**	**212.46**

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

Following are the changes in the carrying values of right of use assets for the year ended 31 March 2025:

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

	Category of ROU Assets				Total
	Land	Buildings	Vehicles	Office equipment	
Gross carrying amount					
As at 31 March 2023	**203.41**	**550.46**	**51.38**	**173.57**	**978.82**
Additions during the year	-	-	17.78	313.72	331.49
Disposals during the year	-	-	-	(71.98)	(71.98)
Foreign currency translation reserve	-	5.80	-	1.02	6.82
As at 31 March 2024	**203.41**	**556.26**	**69.16**	**416.32**	**1,245.15**
Additions during the year	-	76.72	5.91	371.52	454.15
Disposals during the year	-	(133.91)	(0.59)	(90.88)	(225.37)
Foreign currency translation reserve	-	10.56	-	3.55	14.12
As at 31 March 2025	**203.41**	**509.64**	**74.48**	**700.52**	**1,488.05**
Accumulated depreciation					
As at 31 March 2023	**12.72**	**286.23**	**15.70**	**126.85**	**441.50**
Charge for the year	3.22	63.78	16.21	57.31	140.52
Other adjustments	-	9.40	-	-	9.40
Disposals during the year	-	-	-	(58.20)	(58.20)
Foreign currency translation reserve	-	3.15	-	1.16	4.31
As at 31 March 2024	**15.94**	**362.56**	**31.91**	**127.12**	**537.53**
Charge for the year	3.22	77.78	17.13	105.02	203.14
Disposals during the year	-	(133.91)	-	(86.01)	(219.91)
Foreign currency translation reserve	-	6.44	-	1.99	8.43
As at 31 March 2025	**19.16**	**312.87**	**49.04**	**148.12**	**529.19**
Net carrying amount as at 31 March 2025	**184.25**	**196.77**	**25.44**	**552.40**	**958.85**
Net carrying amount as at 31 March 2024	187.47	193.70	37.25	289.20	707.62

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the movement in lease liabilities (including accrued interest)

	As at	
	31 March 2025	31 March 2024
Balance at the beginning of the year	598.10	425.82
Additions	427.51	331.49
Deletions from Lease liability	(5.46)	(13.78)
Finance cost accrued during the year	57.15	31.13
Payment of lease liabilities (including Interest)	(287.96)	(179.50)
Foreign currency translation reserve	6.40	2.93
Balance at the end of the year	**795.74**	**598.10**

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

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

	As at	
	31 March 2025	31 March 2024
Current lease liabilities	220.43	173.73
Non-current lease liabilities	575.31	424.37
Total	**795.74**	**598.10**

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

	As at	
	31 March 2025	31 March 2024
Less than one year	270.57	209.65
One to five years	561.83	399.50
More than five years	381.81	360.94
Total	**1,214.21**	**970.09**

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

Amounts recognised in the statement of profit and loss

	For the year ended	
	31 March 2025	31 March 2024
Interest on lease liabilities	57.15	31.13
Expenses relating to short-term leases	31.77	25.83
Depreciation expense for the year	199.10	140.52
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	-	-
	288.02	**197.49**

3B Assets held for Sale

During the current year, Management has sold the assets for which Group has already received the advance in previous financials year i.e.2023-24

Details of Assets held for sale	As at	
	31 March 2025	31 March 2024
Capital work in progress (carried at cost)	-	83.09
	-	**83.09**

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

4 Goodwill

	Computer Software	Total
Balance at the beginning of the year	1,618.13	1,618.13
Balance at the end of the year	**1,618.13**	**1,618.13**

Goodwill impairment testing

At subsidiary level (cash generating unit ("CGUs")), the goodwill is tested for impairment annually at the year-end or more frequently if there are indicators that goodwill might be impaired. The goodwill is allocated to CGU's.

The Group made an assessment of recoverable amount of the CGUs based on value-in-use calculations which uses cash flow projections based on financial budgets approved by Management. Cash flow projections were developed covering upto a five-year period as at 31 March 2025 and 31 March 2024 respectively which reflects a more appropriate indication/trend of future track of business. Cash flows beyond the five-year period were extrapolated using estimate rates stated below.

Allocation of goodwill to cash-generating units

	As at	
	31 March 2025	31 March 2024
Aragen Bioscience Inc., USA	264.73	264.73
Intox Private Limited, India	1,353.40	1,353.40
	1,618.13	**1,618.13**

The key assumptions for the value-in-use calculations are those regarding the discount rates and terminal growth rates. Management estimates discount rates using post-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The terminal growth rates are based on industry growth forecasts.

Key assumptions used for value in use calculations of Aragen Bioscience Inc., are as follows:

	As at	
	31 March 2025	31 March 2024
Growth rate	14.00%-18.92%	16.43%-19.85%
Operating margins	12.00%-21.00%	8.00%-24.00%
Discount rate *	**18.47%**	**19.52%**

The management believes that no reasonably possible change in any of the key assumptions used in the value in use calculations would cause the carrying value of the CGU to materially exceed its value in use.

Key assumptions used for value in use calculations of Intox Private Limited are as follows:

	As at	
	31 March 2025	31 March 2024
Growth rate	25.00%-49.24%	21.00%-37.19%
Operating margins	31.13%-50.17%	36.52%-47.17%
Discount rate *	**15.99%**	**16.15%**

The management believes that no reasonably possible change in any of the key assumptions used in the value in use calculations would cause the carrying value of the CGU to materially exceed its value in use.

* The above discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets. These estimates are likely to differ from future actual results of operations and cash flows. Based on the above assessment, there has been no impairment of goodwill. Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount.

The estimated recoverable amount of the CGU's exceeded its carrying amount. Accordingly, no impairment is provided.

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

5 Other Intangible assets

	Computer Software	Customer Relationships	Intellectual property rights	Others	Total
Cost or deemed Cost					
As at 31 March 2023	**143.63**	**228.00**	**202.05**	**-**	**573.68**
Additions during the year	103.61	-	-	17.59	121.20
Foreign currency translation reserve	0.70	-	2.83	-	3.53
As at 31 March 2024	**247.94**	**228.00**	**204.88**	**17.59**	**698.41**
Additions during the year	26.99	-	-	-	26.99
Disposals during the year	(6.55)	-	-	-	(6.55)
Foreign currency translation reserve	0.61	-	0.74	-	1.35
As at 31 March 2025	**268.99**	**228.00**	**205.62**	**17.59**	**720.20**
Accumulated amortization					
As at 31 March 2023	**95.04**	**66.06**	**183.33**	**-**	**344.43**
Charge for the year	30.78	48.23	17.34	0.16	96.51
Foreign currency translation reserve	0.51	-	4.21	-	4.72
As at 31 March 2024	**126.33**	**114.29**	**204.88**	**0.16**	**445.66**
Charge for the year	57.46	49.42	-	-	106.88
Disposals during the year	(6.55)	-	-	-	(6.55)
Foreign currency translation reserve	0.58	-	0.74	-	1.32
As at 31 March 2025	**177.82**	**163.71**	**205.62**	**0.16**	**547.31**
Net carrying amount					
As at 31 March 2025	**91.17**	**64.29**	**-**	**17.43**	**172.89**
As at 31 March 2024	121.61	113.71	-	17.43	252.75

6 Investments

	As at	
	31 March 2025	31 March 2024
Unquoted		
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
2,500 (31 March 2024: 2,500)Equity shares of ₹10 each fully paid-up of Saraswat Co-op Bank Ltd., India	0.02	0.02
Investments in other securities		
Investment in government securities – National Savings Certificate	0.01	0.01
Total investments	**2.05**	**2.05**
- Aggregate amount of quoted investments and market value thereof;	-	-
- Aggregate amount of unquoted investments; and	2.05	2.05
- Aggregate amount of impairment in value of investments	-	-

Note :

Information about the Group's exposure to credit and market risks and fair value measurement is included in note 30 and note 31.

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

7 Other financial assets

	As at	
	31 March 2025	31 March 2024
Non-current		
(Unsecured, considered good)		
Security deposits	147.74	107.49
Fixed deposits maturing after 12 months from the balance sheet date	40.35	23.22
	188.09	**130.71**
Current		
(Unsecured, considered good)		
Security deposits	17.12	1.19
Fixed deposits maturing with in 12 months from the balance sheet date	2,082.81	-
Production linked incentive receivable	100.00	-
Derivative instruments: (refer note (ii) below)		
- Foreign exchange forward contracts used for hedging	-	49.87
Contract assets	42.67	30.72
	2,242.60	**81.78**

(i) Information about the Group's exposure to foreign currency risk, credit risk, interest rate risk and fair value measurement is included in note 30 and note 31.

(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 through OCI	(87.64)	49.77

The Group is exposed to exchange rate risk which arises from its foreign exchange revenues and expenses, primarily in U.S. dollar and Euro, and foreign currency debt in U.S. dollars. The Group uses forward contracts and swap contracts (derivatives) to mitigate its risk of changes in foreign currency exchange rates.

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 ₹ (102.83) for the year ended 31 March 2025 and a net gain of ₹ 145.83 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.

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

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 ₹ 37.23 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 and Euros (figures in equivalent ₹ millions)		
Not later than one month	(9.81)	12.92
Later than one month and not later than three months	(36.01)	12.58
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	**(87.66)**	**49.77**

8 Inventories

	As at	
	31 March 2025	31 March 2024
Valued at lower of cost or net realisable value		
Raw materials, chemicals and consumables	367.48	257.57
Work-in-progress	288.84	300.37
Finished goods	37.65	14.77
Stores and spares	129.14	148.75
	823.11	**721.46**

Note:

The write down of inventories to net realisable value as at 31 March 2025 amounted to ₹ 45.63 (31 March 2024: ₹ 43.17). The write down are included in cost of materials consumed and changes in inventories of work-in-progress and finished goods.

Refer Note 15 for details of inventories hypothicated or pledged.

(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 40)	1.24	0.03
- other parties	4,361.71	3,503.56
	4,362.95	**3,503.59**
Unsecured considered doubtful		
- related parties (refer note 40)	-	-
- other parties	126.36	116.69
	126.36	**116.69**
Less : Provision for loss allowance	(126.36)	(116.69)
Total trade receivables	**4,362.95**	**3,503.59**
Break-up of security details		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	4,377.18	3,506.09
Trade receivables which have significant increase in credit risk	112.13	15.94
Trade receivables - credit impaired	-	98.25
Total	**4,489.31**	**3,620.28**
Less : Provision for loss allowance	(126.36)	(116.69)
Total trade receivables	**4,362.95**	**3,503.59**

(i) There are no Trade receivables due by directors or other officer of the Group 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 except as disclosed above.

(ii) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

(iii) The Group exposure to credit risk and foreign currency risk and loss allowances related to Trade receivables are disclosed in note 31.

(iv) Reconciliation of loss allowance

Particulars	Amount
Provision for loss allowance as on 01 April 2023	**209.05**
Provision for expected credit losses/(reversals) during the year	(0.94)
Adjustment against Bad debts written-off	(91.94)
Impact of foreign exchange translations	0.52
Provision for loss allowance as on 31 March 2024	**116.69**
Provision for expected credit losses/(reversals) during the year	8.71
Impact of foreign exchange translations	0.96
Provision for loss allowance as on 31 March 2025	**126.36**

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

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	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	3,006.98	840.36	168.90	0.86	1.21	-	4,018.31
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	55.72	45.99	10.42	112.13
(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	-	-	-	-	-	-	358.87
Loss allowance							(126.36)
Total	**3,006.98**	**840.36**	**168.90**	**56.59**	**47.20**	**10.42**	**4,362.95**

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	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,877.81	1,248.53	18.59	0.44	-	-	3,145.37
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	25.10	61.57	3.73	7.85	98.25
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	13.62	2.32	15.94
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Unbilled Receivables							360.72
Loss allowance							(116.69)
Total	**1,877.81**	**1,248.53**	**43.69**	**62.01**	**17.35**	**10.17**	**3,503.59**

(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	413.75	269.79
	- Fixed deposits (Original maturity period less than 3 months)	317.23	790.00
	Cash on hand	0.39	0.11
		731.37	**1,059.90**
B	**Bank balances other than (A) above**		
	Deposits with original maturity for less than 12 months	4,247.53	791.72
	Margin money deposits with banks (refer note below)	6.34	6.34
	Less:transferred to Other current financial assets	(2,082.81)	-
		2,171.06	**798.06**

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

11 Other assets

	As at	
	31 March 2025	31 March 2024
(Unsecured, considered good)		
Non-current		
Capital advances	41.60	156.65
Balances lying with government authorities*	41.59	-
Contract Cost	4.31	-
Prepaid expenses	8.44	9.50
	95.94	**166.15**
Current		
Advance for expenses	88.00	68.04
Balances lying with government authorities*	730.25	655.37
Prepaid expenses	160.91	147.64
Prepaid Expenses - CSR	-	12.52
Employee advances	5.05	2.58
Share issue expenses (refer note below)	-	94.23
	984.21	**980.38**

*includes deposits paid under protest of ₹ 41.59 (31 March 2024: ₹ 19.10)

There are no other assets 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 except as disclosed above.

(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	250,000,000	2,500.00	250,000,000	2,500.00
	250,000,000	**2,500.00**	**250,000,000**	**2,500.00**
Issued, subscribed and fully paid-up				
Equity shares of ₹10 each	204,414,189	2,044.14	204,414,189	2,044.14
Add: Shares issued during the year (refer note (e) below)	12,576,151	125.76		-
	216,990,340	**2,169.90**	**204,414,189**	**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	204,414,189	2,044.14	204,414,189	2,044.14
Add: Shares issued during the year	12,576,151	125.76	-	-
Balance at the end of the year	**216,990,340**	**2,169.90**	**204,414,189**	**2,044.14**

(b) Terms/rights attached to equity shares

The Holding 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 Holding 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 Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding 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)	66,898,732	30.83%	68,895,609	33.70%
Mr. Davinder Singh Brar	48,666,474	22.43%	49,664,913	24.30%
WSCPVIII (Singapore) Pte. Ltd.	46,863,372	21.60%	47,605,242	23.29%
Madhubani Investments Private Limited	19,230,696	8.86%	19,230,696	9.41%
Leo Investment holdings Pte. Ltd	16,605,630	7.65%	-	0.00%
WSCPVIII Emp (Singapore) Pte. Ltd.	8,435,766	3.89%	8,569,308	4.19%
Goldman Sachs Capital Holdings III Pte. Ltd	6,511,984	3.00%	6,615,072	3.24%

As per records of the Holding company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

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

(d) Shareholding of promoters/promoters group

	As at 31 March 2025		% Change during the year	As at 31 March 2024		% Change during the year
	No. of Shares	% of total shares		No. of Shares	% of total shares	
Gunupati Aparna Reddy (as a Trustee of Reddy Investment Trust)	66,898,732	30.83%	-2.87%	68,895,609	33.70%	0.00%
Mr. Davinder Singh Brar	48,666,474	22.43%	-1.87%	49,664,913	24.30%	0.00%
Madhubani Investments Private Limited	19,230,696	8.86%	-0.55%	19,230,696	9.41%	0.00%

(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 shares.

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

(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. 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 Group has accounted for employee deferred 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, beginning of the year	11,25,000	12.72	10.00 to 56.67	11,25,000	12.72	10.00 to 66.67
Granted during the year	-	-	-	-	-	-
Forfeited/lapsed during the year	-	-	-	-	-	-
Exercised during the year	1,28,892	11.47	10.00 to 16.67	-	-	-
Outstanding, end of the year	9,96,108	12.88	10.00 to 56.67	11,25,000	12.72	10.00 to 66.67
Exercisable at the end of the year	9,96,108	12.88	10.00 to 56.67	11,25,000	12.72	10.00 to 66.67

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

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, 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	132.00 to 234.00	19,125	-	132.00 to 234.00
Exercised during the year	69,403	78.47	78	-	-	-
Outstanding, 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, 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, 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

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

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	0.32	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 %.

Aragen Bioscience Inc. ("Aragen")

On 9 January 2009, Aragen's board of directors adopted, the Aragen's 2008 Equity Incentive Plan (the plan). Under the plan, the option exercise price per share would be $1.00 per share. The option granted under the plan would vest over 4 years. The fair value of the option on the grant date is $1.00 per share. The Aragen has granted 396,000 shares under the plan in January 2009. Under the Aragen's Omnibus Equity Incentive Plan (the plan), the option exercise price per share would be $7.42 per share. The Option granted under the plan would vest over 4 years. the fair value of the option on the grant date is $7.42 per share. The Aragen has approved 168,000 shares under the plan in Jul'18.During the year ended 31 March 2024, the Company has issued fresh options of 16,794 with an option exercise price of $9.18 per share. 20,993 options at an option exercise price of $9.21 during the year ended 31 March 2025.

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, beginning of the year	25,434	8.58	8.58	8,640	12.47	7.42
Granted during the year	20,993	9.21	9.21	16,794	-	9.18
Forfeited during the year	10,614	9.18	9.18	-		
Outstanding, end of the year	35,813	8.77	8.77	25,434	7.42	8.58
Exercisable at the end of the year	14,820	8.15	8.15	8,640	7.42	7.42

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	5.10%	5.43%
Expected life of share options (years)	1.00	1.00
Expected volatility (%)	26.50%	26.50%
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.

(h) During the 5 years ended 31 March 2025 (31 March 2024: Nil) the Holding 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 reported above.

(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 during the year	6,211.74	-
Less: Utilzed during the year	(144.58)	-
Balance at the end of the year	**6,067.16**	**-**
Treasury shares		
Balance at the beginning of the year	(146.87)	(146.87)
Add: Share purchases during the year	10.56	-
Balance at the end of the year	**(136.31)**	**(146.87)**
Capital reserve		
Balance at the beginning of the year	(528.34)	(528.34)
Balance at the end of the year	**(528.34)**	**(528.34)**
General reserves		
Balance at the beginning of the year	-	-
Add: Transferred 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	11,099.71	10,064.93
Add: Net profit for the year	1,798.57	1,581.19
Add: Other comprehensive income net of tax	(13.07)	(11.07)
Add: Transfer from Debenture redemption reserve	200.00	-
Less: Dividends paid	(404.03)	(535.34)
Balance at the end of the year	**12,681.18**	**11,099.71**
Effective portion of cash flow hedge		
Balance at the beginning of the year	37.23	(108.60)
Add: Other comprehensive income net of tax	(102.83)	145.83
Balance at the end of the year	**(65.60)**	**37.23**
Foreign currency translation reserve		
Balance at the beginning of the year	58.25	57.19
Add: Reserve for the year	(2.87)	1.06
Balance at the end of the year	**55.38**	**58.25**
Capital redemption reserve		
Balance at the beginning and end of the year	-	-
Less: Utilised for bonus issue	-	-
Balance at the end of the year	-	-

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

	As at	
	31 March 2025	31 March 2024
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**
Share based payment reserve		
Balance at the beginning of the year	285.33	173.06
Add: Gross compensation for stock options granted during the year	51.56	112.27
Less: Transferred to General reserve on foerfeiture of ESOP's	(17.74)	-
Less:Utilisation on account of exercise of options	(2.49)	-
Balance at the end of the year	**316.66**	**285.33**
Gross obligation to non-controlling interest under put options		
Balance at the beginning of the year	(4.00)	(4.00)
Balance at the end of the year	**(4.00)**	**(4.00)**
Total other equity	**18,403.87**	**11,001.31**

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 equity shares of the Company held by the controlled trusts.

Capital reserve

Represents reserve created on merger of Aragen Life Sciences Limited and Inogent Laboratories Private Limited, merger of GVK Davix Technologies Private Limited into Aragen Life Sciences Limited and on consolidation of Aragen Bioscience, Inc.

General reserve

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

Retained earnings

The amount represents surplus in statement of profit and loss not transferred to any reserve and can be distributed by the Group as dividends / issue of bonus shares to its equity shareholders.

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 Statement of Profit and Loss in accordance with the Group's accounting policy.

Capital redemption reserve

Represents the nominal value of shares bought back by GVK Davix Technologies Private Limited, the erstwhile Parent Company.

Debenture redemption reserve

The Holding Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the Holding Company to create DRR out of profits of the Holding Company available for payment of dividend. DRR is required to be created for an amount which is equal to 10% of the value of debentures issued.

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

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, corresponding balance is transferred to general reserve.

Gross obligation to non-controlling interest under put options

Represents the fair value of the put option obligation towards the acquisition of balance stake in Intox Private Limited.

13 Other equity (Continued)

(a) Distribution made and proposed

	As at	
	31 March 2025	31 March 2024
Dividends 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: ₹ 2.00 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.

* The amount excludes the dividend relating to shares held by Aragen Employees Welfare Trust ₹ 4.79 (31 March 2024: ₹ 6.36).

(b) Treasury Shares

	Number of shares	Amount
As at 01 April 2023	**(2,398,356)**	**(146.87)**
Add: Shares disposed during the year	-	-
As at 31 March 2024	**(2,398,356)**	**(146.87)**
Add: Shares disposed during the year	1,98,295	10.56
As at 31 March 2025	**(2,200,061)**	**(136.31)**

14 Non-controlling interest (NCI)

	As at	
	31 March 2025	31 March 2024
Balance at the beginning of the year	567.58	547.66
Share of profit during the year	5.23	19.85
Share of other comprehensive income during the year	(0.13)	0.07
Balance at the end of the year	**572.68**	**567.58**

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

15 Borrowings

	As at	
	31 March 2025	31 March 2024
Non-current borrowings		
Secured bank loans		
- Foreign currency loans (Note (i))	-	-
- Indian Rupee term loans (Note (i))	2,979.38	2,571.88
7.75% Non-convertible Redeemable Debentures	-	1,993.77
Less: Current maturities of long-term borrowings	(1,569.38)	(2,756.27)
	1,410.00	**1,809.38**
Current borrowings		
Secured bank loans		
Working capital loans from bank (Note (iii))	676.43	950.22
Foreign currency packing credit and buyers credit loan (Note (ii))	1,118.97	938.83
Current maturities of long-term borrowings	1,569.38	2,756.27
	3,364.78	**4,645.32**
Total Borrowings	**4,774.78**	**6,454.70**

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		
Foreign Currency Term loan	CITI Bank	-	-	FY 2023-24	Exclusive charge on Property plant & equipment of the plant located at Plot No.94, Lemerthi (V), Ramky SEZ, Parawada, Vishakhapatnam 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	Exclusive charge on Property plant & equipment of the plant located at Plot No.94, Lemerthi (V), Ramky SEZ, Parawada, Vishakhapatnam with minimum asset cover of 1.25x
Indian Rupee Term Loan	CITI Bank	1,170.00	-	FY 2029-30	Exclusive charge on Property plant & equipment of the plant located at Bangalore 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	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	CITI Bank	250.00	500.00	FY 2025-26	Exclusive charge on Property plant & equipment of the plant located at Plot No.94, Lemerthi (V), Ramky SEZ, Parawada, Vishakhapatnam 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
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.

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

b) Terms of repayment of long term borrowings:

	As at	
	31 March 2025	31 March 2024
Within 1 year	1,569.38	2,756.27
1 - 2 years	639.38	1,350.00
2 - 5 years	770.62	459.38
> 5 years	-	-
	2,979.38	**4,565.65**

c) The foreign currency loans carries an annual interest rate in the range of 1.90% - 5.85% (31 March 2024: 1.90% - 6.85%) and is repayable in quarterly instalments as agreed. Indian Rupee loans carry an annual fixed rate of interest in the range 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)

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 including, receivables. These loans carry an annual interest rate in the range of 3.30% to 5.85% (31 March 2024: 1.90% to 5.85%) per annum.

Note (iii)

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

Loan covenants

Bank loans contain certain debt covenants relating to limitation on indebtness, debt equity ratio, net borrowings to Earnings before interest, taxes, depreciation, amortization ratio and debt service coverage ratio. The Group has satisfied all debt covenants prescribed in the terms of bank loan.

Note (iv)

Reconciliation of Liabilities from Financing Activities

	Liabilities from financing activities				Total
	Leases	Non-Current borrowings (incl., current maturities)	Current borrowings	Interest accrued*	
As at 31 March 2023	**425.82**	**4,415.73**	**869.66**	**77.65**	**5,788.86**
Cash flows	(148.36)	178.40	1,013.15	-	1,043.19
Additions to leases	331.49	-	-	-	331.49
Deletions to leases	(13.78)				(13.78)
Foreign exchange adjustments	2.93	(28.48)	6.24	-	(19.31)
Interest expense	31.14	-	-	434.07	465.21
Interest paid	(31.14)	-	-	(418.05)	(449.19)
As at 31 March 2024	**598.10**	**4,565.65**	**1,889.05**	**93.67**	**7,146.47**
Cash flows	(230.81)	(1,586.27)	(92.61)	-	(1,909.69)
Additions to leases	427.51	-	-	-	427.51
Deletions to leases	(5.46)	-	-	-	(5.46)
Foreign exchange adjustments	6.40	-	(1.04)	15.45	20.81
Interest expense	57.15	-	-	491.27	548.42
Interest paid	(57.15)	-	-	(527.63)	(584.78)
As at 31 March 2025	**795.74**	**2,979.38**	**1,795.40**	**72.76**	**5,643.28**

* Includes Interest accrued on MSME dues ₹4.59 (31 March 2024: ₹4.48) and Interest capitalised of ₹186.07 (31 March 2024: ₹ 134.35)

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

Note (iv) Sensitivity:

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

		Impact on profit after tax	
	Change in Rate	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%	(27.36)	(26.36)
	Decrease by 1%	27.36	26.36

16 Provisions

	As at	
	31 March 2025	31 March 2024
Non-current		
Provision for employee benefits		
- Gratuity (refer note 24)	318.73	261.82
	318.73	**261.82**
Current		
Provision for employee benefits		
- Gratuity (refer note 24)	51.63	40.97
- Compensated absences	165.32	153.15
	216.95	**194.12**

17 Trade payables

	As at	
	31 March 2025	31 March 2024
Trade payables		
- related parties (note 40)	0.14	0.61
- Total oustanding dues of micro enterprises and small enterprises	242.94	229.40
- Total outstanding dues of creditors other than micro and small enterprises	1,323.40	961.28
	1,566.48	**1,191.29**

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

(b) Information about the companies exposure to foreign currency risks, liquidity risk and fair value measurement is included in note 30 and note 31.

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 Group. 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 Group has not received any claim for interest from any supplier under the said Act.

(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	111.80	123.81	1.61	1.06	4.66	242.94
(ii) Others	418.16	642.29	21.22	3.77	7.83	1,093.27
(iii) Disputed dues-MSME	-		-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
(v) Accrued for expenses						230.26
	529.96	**766.10**	**22.83**	**4.83**	**12.49**	**1,566.48**

Trade payables ageing schedule as at 31 March 2024:

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	100.85	118.73	3.41	0.70	5.71	229.40
(ii) Others	321.49	413.90	5.37	2.09	10.52	753.37
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-
(v) Accrued for expenses						208.52
	422.34	**532.63**	**8.78**	**2.79**	**16.23**	**1,191.29**

18 Other financial liabilities

	As at	
	31 March 2025	31 March 2024
Non-current		
Put option liability (refer note below)	4.00	4.00
	4.00	**4.00**
Current		
At amortised cost		
Creditors for capital expenditure	866.82	356.54
Creditors for expenses	3.19	4.44
Refundable deposits	1.51	1.56
Dues to employees	505.68	439.80
Derivative instruments: (Refer note 7)		
- Foreign exchange forward contracts used for hedging	87.64	0.10
- Other Foreign exchange forward contracts	63.93	56.67
Interest accrued but not due on borrowings	72.74	93.67
	1,601.51	**952.78**

Note: The Company has entered into a put option agreement for the balance 24 % equity stake of Intox Private Limited. This has been accounted for as a derivative instrument and the fair value of put option as at 31 March 2025 is ₹ 4.00 (31 March 2024: ₹ 4.00).

Information about the companies exposure to foreign currency risks, liquidity risk and fair value measurement is included in note 30 and note 31.

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

19 Other current liabilities

	As at	
	31 March 2025	31 March 2024
Advances received from customers	322.81	353.13
Liability towards Corporate Social Responsibility	13.86	-
Statutory liabilities	111.84	87.08
Unearned revenue	146.98	100.48
Other liabilities	-	89.09
	595.49	**629.78**

20 Revenue from operations

	For the year ended	
	31 March 2025	31 March 2024
Sale of goods:		
- Sale of Pharmaceutical products	3,282.42	3,232.90
Revenue from services:		
- Contract research services	15,036.16	13,326.16
Other operating revenues	132.49	16.71
	18,451.07	**16,575.77**

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 Group's performance obligations in contracts with customers refer note 2(d). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹85.61 (31 March 2024: ₹138.38) 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.

Information about products and services

The Group deals in different types of products and services

	For the year ended	
	31 March 2025	31 March 2024
Sale of goods	3,282.42	3,232.90
Sales of services Over the period	15,036.16	13,326.16
Total	**18,318.58**	**16,559.06**

Contract balances:

	As at	
	31 March 2025	31 March 2024
Trade receivables	4,362.95	3,503.59
Contract assets	42.67	30.72
Contract liabilities - Customer advances	322.81	353.13

Refer note 36 for disaggregated revenue details by geography.

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

Reconciliation of revenue with contract price

	For the year ended	
	31 March 2025	31 March 2024
Contract price	18,318.58	16,559.06
Add : Unbilled revenue	-	-
Less : Discounts	-	-
Revenue from operations	**18,318.58**	**16,559.06**

Movement in contract liabilities:

	For the year ended	
	31 March 2025	31 March 2024
Balance at the beginning of the year	353.13	248.24
Movement during the year on account of transactions in Revenue	(30.32)	104.89
Balance at the end of the year	**322.81**	**353.13**

The amount of ₹ 353.13 included in the contract liabilities as at 31 March 2024 has been recognised as revenue during the year ended 31 March 2025 (31 March 2024: ₹248.24). Further, the Group expects to recognise the revenues against contract liabilities as on 31 March 2025 in the next 12 months.

21 Other income

	For the year ended	
	31 March 2025	31 March 2024
interest income on financial assets measured at amortised cost	171.99	68.68
Gain on Sale of assets	-	4.07
Liabilities no longer required written back	17.85	21.02
Interest income on IT refunds	1.03	-
Other non-operating income	55.57	73.90
Interest income on loans and advances	5.41	3.31
	251.85	**170.98**

22 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	1,605.20	1,503.07
	1,850.86	**1,786.82**
Less: Inventory at the end of the period	245.05	245.66
	1,605.81	**1,541.16**

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

23 (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	12.08	14.77
Work-in-progress	288.84	255.88
	(30.27)	**(67.44)**
(b) Consumption of chemicals and spares		
Cost of chemicals, reagents and consumables consumed	3,120.29	2,447.01
	3,120.29	**2,447.01**

24 Employee benefits expense

	For the year ended	
	31 March 2025	31 March 2024
Salaries and wages	5,491.05	5,044.09
Employee stock compensation expenses	51.56	114.76
Contribution to provident and other funds (note a)	168.36	156.26
Gratuity and compensated absences (note b)	125.68	105.32
Staff welfare expenses	336.88	301.31
	6,173.53	**5,721.74**

a. Defined contribution plan

During the year ended 31 March 2025, the Group contributed ₹115.88 (31 March 2024: ₹112.04) to provident fund, ₹0.78 (31 March 2024: ₹2.50) towards employee state insurance fund, ₹24.84 (31 March 2024: ₹ 23.20) towards Individual Retirement Account (IRA) and ₹19.74 (31 March 2024: ₹18.52) towards National Pension scheme.

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

b. Defined benefit plan

The Group 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 subject to maximum limits prescribed under the Payment of Gratuity Act, 1972.

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	302.85	245.40
Last year adjustment	0.71	
Current service cost	49.95	43.54
Interest cost	20.30	16.65
Benefits paid	(20.78)	(17.42)
Actuarial losses on obligation	17.34	14.68
Defined benefit obligation at end of the year	**370.37**	**302.85**

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	**0.06**	**0.08**
Add: Contributed during the year	-	-
Add: Interest accrued during the period/year	0.01	0.01
Add: Return on plan assets	(0.08)	(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	**(0.01)**	**0.06**

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

	As at	
	31 March 2025	**31 March 2024**
Present value of defined benefit obligation	370.37	302.85
Fair value of plan assets at the end	(0.01)	(0.06)
Net liability recognised in the balance sheet	**370.36**	**302.79**
Current & Non-current bifurcation of net liability		
Current	51.63	40.97
Non-current	318.73	261.82
	370.36	**302.79**

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

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	49.95	43.54
Past service cost	-	-
Interest cost	20.30	16.65
Return on plan assets	(0.01)	(0.01)
	70.24	**60.18**
In Statement of Other Comprehensive Income		
Actuarial loss	17.34	14.68
Return on Plan Assets(excluding Interest income)	0.08	0.02
	17.42	**14.70**
Total	**87.66**	**74.88**

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 to 6.73%	7.17% to 7.20%
Retirement age	58 to 60 years	58 to 60 years
Salary escalation	6% to 8%	6% to 8%
Attrition rate	8% to 20%	8% 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 Group has invested a part of the accrued liability as of 31 March 2025. The Group evaluates these assumptions annually based on its long-term plans of growth and industry standards.

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.

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

Impact on defined benefit obligation [(Increase)/ decrease]

	As at	
	31 March 2025	31 March 2024
Assumptions		
Sensitivity level		
- Attrition rate : increase by 1 %	(367.98)	299.98
- Attrition rate : decrease by 1 %	372.94	(305.92)
- Salary escalation : increase by 1 %	389.85	319.05
- Salary escalation : decrease by 1 %	(351.94)	(287.66)
- Discount rate : increase by 1 %	(362.89)	(289.18)
- Discount rate : decrease by 1 %	401.95	317.97
- Mortality rate : increase by 1 %	(350.91)	(286.90)
- Mortality rate : decrease by 1 %	350.91	286.90

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

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	51.67	41.05
2 - 5 years	195.01	163.20
6 - 10 years	154.52	131.96
Above 10 years	168.92	135.79

The Group provides compensated absences benefits to the employees of the Group which can be carried forward to future years. Since the compensated absences fall due wholly within twelve months after the end of the period in which the employees render the related service and are also expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a short-term employee benefit. During the year ended 31 March 2025, the Group has incurred an expense on compensated absences amounting to ₹55.06 (31 March 2024 ₹45.14). The Group determines the expense for compensated absences basis the actuarial valuation, using 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 Group towards Provident Fund and Gratuity. The Group 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.

25 Finance costs

	For the year ended	
	31 March 2025	31 March 2024
interest expense on financial liabilities measured at amortised cost	289.25	289.78
Interest expense on lease liability	57.15	31.13
Other borrowing cost*	15.95	9.95
	362.35	**330.86**

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

Note: Interest Capitalised of ₹ 186.07 (31 March 2024: ₹ 134.35) to the value of Qualifying assets.

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

26 Depreciation and amortisation expense

	31 March 2025	31 March 2024
Depreciation on Property, plant and Equipment (note 3)	1,552.73	1,680.88
Depreciation on Right of use assets (note 3A)	199.10	140.52
Amortisation of Intangible assets (note 5)	106.88	96.51
	1,858.71	**1,917.90**

Note: Depreciation on Right of use Capitalised of ₹ 4. 04.

27 Other expenses

	For the year ended	
	31 March 2025	31 March 2024
Direct expenses:		
Job work charges	151.39	121.22
Other direct expenses	86.28	101.93
Indirect expenses:		
Power and fuel	685.14	613.60
Rent	31.77	25.83
Repairs and maintenance		
- Buildings	57.75	56.87
- Machinery	281.82	231.71
- Others	86.07	74.99
Insurance	52.85	50.69
Bank charges	18.30	19.47
Rates and taxes	102.51	58.37
Communication expenses	19.33	16.66
Contract services	136.06	118.68
Office maintenance expenses	230.95	198.27
Travelling and conveyance	139.82	114.27
Consultancy and professional charges	153.41	126.37
Corporate social responsibility expenditure	61.77	57.43
Printing and stationery	9.71	6.23
Carriage outwards	116.95	84.86
Effluent treatment charges	62.20	50.26
Loss of sale of asset	0.76	-
(Reversal)/provision for loss allowance (refer note 9)	8.71	(0.94)
Trade receivable write off	-	146.98
Less: Transfer from Provision (refer note 9)	-	(91.94)
Foreign exchange fluctuations, net	27.72	34.64
Subscription fees	204.73	171.41
Business development expenses	142.65	145.89
IPO Expense write off	94.23	-
Water charges	37.91	36.19
Miscellaneous expenses	48.02	37.25
	3,048.81	**2,607.19**

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

27 Income taxes

A. Tax expense in the statement of profit and loss

	For the year ended	
	31 March 2025	31 March 2024
Current taxes	735.31	708.00
Current tax relating to prior years	(7.21)	(6.01)
Deferred tax expense / (benefit)	31.79	(54.70)
Tax expense reported in the statement of profit or loss	**759.89**	**647.29**

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	(34.59)	49.05
Current tax impact due to remeasurements of defined benefit plans	(4.38)	(3.70)
Tax expense reported in OCI	**(38.97)**	**45.35**

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

B. Other Income tax assets, net

	As at	
	31 March 2025	31 March 2024
Advance tax, (net of provision for tax 3,038.52 (31 March 2024 ₹2,254.06)	225.85	235.12
	225.85	**235.12**

C. Current income 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**

Note:
Includes an amount paid under protest of ₹ 41.59 (31 March 2024: ₹ 38.51)

D. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

	As at	
	31 March 2025	31 March 2024
Profit before tax	2,563.69	2,248.33
At India's statutory income tax rate of 25.168% (31 March 2024: 25.168%)	645.23	565.86
Non-deductible expenses for tax purposes	29.17	15.65
Tax incentives	(9.78)	(13.11)
Tax losses for which no deferred income tax was recognised	88.24	83.82
Current tax relating to prior years	16.95	(6.01)
Others	(9.92)	1.08
Total tax expense	**759.89**	**647.29**
Income tax expense reported in the statement of profit and loss	**759.89**	**647.29**

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

E. 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	158.78	108.48
Derivative instruments	(21.82)	12.85
Others	21.93	3.54
	158.89	**124.87**
Deferred income tax assets		
Accrued compensation to employees	123.05	101.37
Derivative instruments	10.07	7.74
Impairment allowance on trade receivables	23.37	19.29
Statutory bonus	0.07	26.46
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	9.73	17.49
Others	69.75	18.89
Leases	9.76	13.36
	245.80	**204.60**
Total Deferred tax (liabilities)/assets, net	**86.91**	**79.73**

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

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	108.48	50.30		158.78
Derivative instruments	12.85	(0.08)	(34.59)	(21.82)
Others	3.54	18.39		21.93
Deferred tax assets:	**124.87**	**68.61**	**(34.59)**	**158.89**
Accrued compensation to employees	101.37	17.30	4.38	123.05
Derivative instruments	7.74	2.33		10.07
Impairment allowance on trade receivables	19.29	4.08		23.37
Statutory bonus	26.46	(26.39)		0.07
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	17.49	(7.76)		9.73
Others	18.89	50.86		69.75
Leases	13.36	(3.60)		9.76
	204.60	**36.82**	**4.38**	**245.80**
Deferred tax assets (net)	**79.73**	**-31.79**	**38.97**	**86.91**

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	140.08	(31.60)		108.48
Derivative instruments	(36.20)		49.05	12.85
Others	3.53	0.01		3.54
Deferred tax assets:	**107.41**	**(31.59)**	**49.05**	**124.87**
Accrued compensation to employees	78.43	19.24	3.70	101.37
Derivative instruments	29.48	-21.74		7.74
Impairment allowance on trade receivables	43.73	-24.44		19.29
Statutory bonus	0.42	26.04		26.46
Impact of deduction of Section 80JJAA of Income Tax Act, 1961	18.28	-0.79		17.49
Others	4.66	14.23		18.89
Leases	2.78	10.58		13.36
	177.78	**23.12**	**3.70**	**204.60**
Deferred tax assets (net)	**70.37**	**54.71**	**-45.35**	**79.73**

The Group has not recognised deferred tax on carry forward losses amounting to ₹ 940.74 (31 March 2024: ₹ 893.65).

	As at	
	31 March 2025	**31 March 2024**
Losses without expiration date	918.81	872.29
Losses without expiration date (Till 2037)	21.93	21.36

29 Earnings per Equity share

Basic EPS amount are calculated by dividing the profit for the year attributable to equity holders of the holding 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 for the year attributable to equity holders of Holding Company	1,798.57	1,581.19
Weighted average number of equity shares in calculating basic EPS	204,840,898	202,015,833
Nominal value per equity share	10.00	10.00
Effect of dilution:		
- Stock options granted under ESOP	3,033,691	2,949,725
Weighted average number of equity shares used in computation of diluted EPS*	**207,874,589**	**204,965,558**

*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 theses financial statements.

Earnings per Equity share	**31 March 2025**	**31 March 2024**
Basic	8.78	7.83
Diluted	8.65	7.71

30 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		
Trade receivables	4,362.95	3,503.59
Cash and cash equivalents	731.37	1,059.90
Bank balances other than above	2,171.06	798.06
Other financial assets	2,430.69	162.62
Total	**9,696.07**	**5,524.17**
Financial liabilities		
Non-current borrowings	1,410.00	1,809.38
Lease liability	795.74	598.10
Current borrowings	3,364.78	4,645.32
Trade payables	1,566.48	1,191.29
Other financial liabilities	1,453.94	900.01
Total	**8,590.94**	**9,144.10**

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

(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 Assets		
Investments	2.05	2.05
Financial Liability		
Derivative instruments	63.93	56.67

(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	-	49.87
Financial Liability		
Derivative Instruments	87.64	0.10

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

(ii) The carrying amounts of trade receivables, trade payables and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. Difference between carrying amounts and fair values of bank deposits, earmarked balances with banks, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented. For all other amortised cost instruments, carrying value represents the best estimate of fair value. For the financial assets measured at fair values, the carrying amounts are equal to the fair values.

(iii) The preparation of the Group'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.

(iv) Refer note 37 for Fair value hierarchy disclosures.

31 Financial risk management objectives and policies

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

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The senior management provides assurance to the Holding Company's Board that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group'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 Group's policy that no trading in derivatives for speculative purposes shall be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

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

(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 Group comprises primarily of currency and interest rate risk. Financial instruments affected by market risk include trade and other receivables and derivatives, trade payables and borrowings. The sensitivity analyses in the following sections relate to the position as at 31 March 2025 and 31 March 2024. The sensitivity analyses have been prepared on the basis that the amount of trade and other receivables in foreign currencies 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 analyses:

(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. Refer note 15 (v) for interest rate sensitivity analysis.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group and the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's investment in deposits with banks are for short durations and therefore do not expose the Group to significant interest rate risk.

The Group's exposure to changes in interest rates relates primarily to the Group's outstanding floating rate debt. A major portion of foreign currency debt is linked to international interest rate benchmarks like SOFR and LIBOR. The Group 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 15(v) for interest rate sensitivity.

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 Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The Group 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 Group 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 Group in foreign currency:

	As at	
	31 March 2025	31 March 2024
Currency forwards		
Foreign exchange forward contracts designated at FVTOCI (Cashflow hedge) (USD in Million)	208.53	199.16
Foreign exchange forward contracts designated at FVTOCI (Cashflow hedge) (₹ in Million) - at MTM	(87.64)	49.77
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)

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

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in USD, GBP and Euro exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Group's exposure to foreign currency changes for all other currencies is not material. (Refer Note 42 for details of unhedged foreign currencies).

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	135.40	131.48
Change in USD rate - 5% increase		
- Effect on PBT and equity	(135.40)	(131.48)
Change in GBP rate - 5% increase		
- Effect on PBT and equity	(0.05)	(0.06)
Change in GBP rate - 5% decrease		
- Effect on PBT and equity	0.05	0.06
Change in Euro rate - 5% increase		
- Effect on PBT and equity	(3.50)	(4.89)
Change in Euro rate - 5% decrease		
- Effect on PBT and equity	3.50	4.89

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 US dollars, GBP and Euro rates, 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 Group 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.

The Group does not have any customer that individually contribute to more than 10% of the receivables for the year ended 31 March 2025 and for the year ended 31 March 2024.

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management.

The Group does not hold collateral as security. The Group 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. Refer note 9 for details

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Group's finance team in accordance with the Holding 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 Group's Board of directors on annual basis.

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

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Group's reputation.

The Group has an appropriate liquidity risk management framework for the management of short, medium and long-term funding and liquidity management requirements. The Group 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 Group's treasury department is responsible for managing the short-term and long term liquidity requirements of the Group. 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 Group 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.

The carrying value of the Group's financial liabilities are disclosed in note 3A and note 15, 17 and 18 of the consolidated financial statements.

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

	As at	
	31 March 2025	31 March 2024
Less than 1 year		
- Borrowings	3,364.78	4,645.32
- Other financial liabilities	1,601.51	952.78
- Trade payables	1,566.48	1,191.29
- Lease liabilities	270.57	209.65
1 to 2 years		
- Borrowings	639.38	1,350.00
- Lease liabilities	236.40	227.17
2 to 5 years		
- Borrowings	770.62	459.38
- Lease liabilities	303.13	172.33
- Other financial liabilities	4.00	4.00
> 5 years		
- Borrowings	-	-
- Lease liabilities	381.81	360.94

Note: The above amouts exclude the future interest payments under the contractual obligation.

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 Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group'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 Group to manage risk concentrations at both the relationship and industry levels.

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

Collateral

The Group 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. The counterparties have an obligation to return the securities to the Group. The Group 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.

32 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group 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 Group may adjust the dividend payment to shareholders, issue bonus shares to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to maintain optimum gearing ratio. The Group 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 15)	4,774.78	6,454.70
Trade payables (Note 17)	1,566.48	1,191.29
Other financial liabilities (Note 18)	1,605.51	956.78
Lease liabilities (Note 3A)	795.74	598.10
Less: Cash and bank balances (Note 10 & 7)*	(5,025.59)	(1,881.18)
Net debt	**3,716.92**	**7,319.69**
Equity	21,146.45	13,613.03
Total equity	**21,146.45**	**13,613.03**
Gearing ratio	**0.18**	**0.54**

* Includes Fixed deposits maturing after 12 months from the balance sheet date (refer note 7).

In order to achieve this overall objective, the Group'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 breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

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

33 Hedging activities and derivatives

Derivatives not designated as hedging instruments

The Group 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 1 to 12 months.

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

34 Information about subsidiaries

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

Name of the entity	Principal activities	Country of Incorporation	% equity interest as at	
			31 March 2025	31 March 2024
Aragen Bioscience, Inc.	Contract research and development services	United States of America	100.00%	100.00%
Aragen Lifesciences B.V. Netherlands (formerly GVK Biosciences B.V.)	Contract research and development services	Netherlands	100.00%	100.00%
Aragen Employees welfare trust (formerly GVK Bio Employees welfare trust)	Employee welfare	India	100.00%	100.00%
Intox Private Limited	Toxicology and related research services	India	76.00%	76.00%
Aragen Biologics Private Limited	Contract research and development services	India	100.00%	100.00%
Aragen Foundation	Corporate Social Responsibility activities of Group	India	100.00%	100.00%

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

35 Additional information pursuant to para 2 of general instructions for the preparation of the Consolidated Financial Statements for the year ended 31 March 2025

Name of the entity	As at		For the year ended					
	31 March 2025							
	Net assets		Share in profit or loss		Share in OCI		Share in Total Comprehensive Income ("TCI")	
	As a % of consolidated net assets	Amount (₹)	As a % of consolidated profit or loss	Amount (₹)	As a % of consolidated OCI	Amount (₹)	As a % of consolidated TCI	Amount (₹)
Holding Company								
Aragen Life Sciences Limited (formerly Aragen Life Sciences Private Limited)	103.93%	21,977.28	138.20%	2,492.89	97.17%	(115.34)	141.09%	2,377.55
Trust								
Aragen employees welfare trust (formerly GVK Bio Employees welfare trust)	0.11%	23.00	0.25%	4.47	-	-	0.27%	4.47
Domestic Subsidiaries								
Intox Private Limited	1.13%	239.01	2.97%	53.53	0.36%	(0.43)	3.15%	53.10
Aragen Foundation	-0.00%	(0.58)	-0.01%	(0.18)	-	-	-0.01%	(0.18)
Aragen Biologics Private Limited	1.44%	305.00	-17.14%	(309.09)	-	0.06	-18.34%	(309.03)
Foreign subsidiaries								
Aragen Bioscience, Inc.	-1.87%	(394.69)	-13.36%	(240.94)	-	-	-14.30%	(240.94)
Aragen Lifesciences B.V. (formerly GVK Biosciences B.V.)	0.17%	35.96	0.66%	11.89	-	-	0.71%	11.89
Sub Total		**22,184.98**		**2,012.57**		**(115.71)**		**1,896.86**
Adjustment arising out of consolidation	-7.62%	(1,611.21)	-11.86%	(214.00)	2.41%	(2.86)	-12.87%	(216.86)
Non-controlling interest in subsidiaries	2.71%	572.68	0.29%	5.23	0.11%	(0.13)	0.30%	5.10
Total		**21,146.45**		**1,803.80**		**(118.70)**		**1,685.10**

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

Additional information pursuant to para 2 of general instructions for the preparation of the Consolidated Financial Statements for the year ended 31 March 2024

Name of the entity	As at		For the year ended					
	31 March 2024							
	Net assets		Share in profit or loss		Share in OCI		Share in Total Comprehensive Income ("TCI")	
	As a % of consolidated net assets	Amount (₹)	As a % of consolidated profit or loss	Amount (₹)	As a % of consolidated OCI	Amount (₹)	As a % of consolidated TCI	Amount (₹)
Holding Company								
Aragen Life Sciences Limited	101.00%	13,748.74	117.60%	1,882.78	99.02%	134.56	116.14%	2,017.34
Trust								
Aragen employees welfare trust (formerly GVK Bio Employees welfare trust)	0.17%	23.00	0.30%	4.88	-	-	0.28%	4.88
Domestic Subsidiaries								
Intox Private Limited	1.36%	184.97	3.93%	62.87	0.15%	0.20	3.63%	63.07
Aragen Foundation	-0.00%	(0.40)	-0.02%	(0.40)	0.00%	-	-0.02%	(0.40)
Aragen Biologics Private Limited	1.32%	179.97	-1.27%	(20.32)	0.00%	-	-1.17%	(20.32)
Foreign subsidiaries								
Aragen Bioscience, Inc.	-1.14%	(154.51)	-19.23%	(307.93)	-	-	-17.73%	(307.93)
Aragen Lifesciences B.V. (formerly GVK Biosciences B.V.)	0.16%	21.89	0.54%	8.61	-	-	0.50%	8.61
Sub Total		**14,003.66**		**1,630.49**		**134.76**		**1,765.25**
Adjustment arising out of consolidation	-7.04%	(958.21)	-3.08%	(49.30)	0.78%	1.06	-2.78%	(48.24)
Non-controlling interest in subsidiaries	4.17%	567.58	1.24%	19.85	0.05%	0.07	1.15%	19.92
Total		**13,613.03**		**1,601.04**		**135.89**		**1,736.93**

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

36 Segment information

Operating segments

The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by industry classes. Based on Group's business model, providing contract research and development services has been considered as the only reportable business segment and hence no separate financial disclosures are provided in respect of its single business segment.

Geographical information

The geographical information analyses the Group's revenues and non-current assets by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of the customers and segment assets which have been based on the geographical location of the assets.

The Group does not have any customer that individually contribute to more than 10% of the revenues for the year ended 31 March 2025 and for the year ended 31 March 2024.

Segment revenue

	For the year ended	
	31 March 2025	31 March 2024
Europe	4,103.95	4,506.50
India	1,121.39	910.39
North America	11,085.91	9,147.61
Rest of the world	2,139.82	2,011.27
	18,451.07	**16,575.77**

Non-current operating assets

	As at	
	31 March 2025	31 March 2024
India	18,884.95	15,741.17
United States of America	434.63	560.79
Total non-current operating assets	**19,319.58**	**16,301.96**

*Non-current operating assets includes all the items except financial assets and tax related assets.

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

37 Fair value hierarchy

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

	Fair value measurement using				Total
	Date of Valuation	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:					
Assets/(Liabilities) measured at fair value					
Derivative financial assets / (liabilities) (refer note 7 and note 18)	31 March 2025	-	(151.57)	-	(151.57)
Investments (refer note 6)	31 March 2025	0.01	-	2.04	2.05
Put option liability	31 March 2025	-	-	4.00	4.00
Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2024:					
Assets/(Liabilities) measured at fair value					
Derivative financial assets / (liabilities) (refer note 7 and note 18)	31 March 2024	-	(6.90)	-	(6.90)
Investments (refer note 6)	31 March 2024	0.01	-	2.04	2.05
Put option liability	31 March 2024	-	-	4.00	4.00

Measurement of fair values:

i. Valuation technique and significant unobservable 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.

38 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) for Property, plant and equipments	2,225.11	1,513.22
Guarantee given	0.25	-

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

39 Contingent liabilities

The Group 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 Group, as the case may be and therefore timing of cash flows cannot be predicted. The Group 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	1,213.01	1,230.58
(b) Service tax matter under dispute	3.51	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	330.54	172.11

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

The Group 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 Jun 2017 (tax liability computed by department is ₹2,409.70). The Group has submitted its reply disputing department claim and based on merits of the claim and favourable judgements Group has not made any provision in the books.

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

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

40 Related party disclosures

(a) Name of related parties and nature of relationship

Names of the related parties	Nature of relationship	
Aragen Bioscience, Inc.	Wholly-owned Subsidiary Company	
Aragen Lifesciences B.V. (formerly known as 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	
Intox Private Limited	Subsidiary Company	
"Aragen Employees Welfare Trust (formerly GVK Bio Employees Welfare Trust)"	Controlled Trust	
WSCPVIII (Singapore) Pte. Ltd.	Enterprise having significant influence	
WSCPVIII Emp (Singapore) Pte. Ltd.	Enterprise having significant influence	
Goldman Sachs Capital Holdings III Pte. Ltd	Enterprise having significant influence	
Mr. Davinder Singh Brar	Director and Chairman	Key management personnel (KMP)
Mr. G V Sanjay Reddy (till 31.01.2023)	Director and Vice-chairman	
Mr. Manmahesh Kantipudi	Whole time Director and Chief executive officer	
Mr. Sachin Anand Dharap	Chief Financial Officer	
Mr. Ramakrishna Kasturi	Company Secretary	
Mr. Keshav Gunupati Venkat Reddy	Director	
Mr. Adam Richard Dawson (w.e.f. 31.05.2021 and till 30.01.2023)	Director	
Mr. Rajat Sood	Director	
Mr. Ajay Srivastava	Director	
Mr. Robert Richard Ruffolo	Independent Director	
Mr. Gerhard Mayr (till 31.03.2024)	Independent Director	
Ms. Anita Ramachandran (w.e.f. 07.11.2022)	Independent Director	
Excelra Inc., (formerly GVK Biosciences Inc.,)	Enterprises owned or significantly influenced by individuals who have control / significant influence over the Company.	
Equal Identity Private Limited		
"Excelra Knowledge Solutions Private Limited (formerly GVK Davix Research Private Limited)"		
Madhubani Investments Private Limited		
Aparna Reddy Gunupati (as a Trustee of Reddy Investment Trust)		
Aparna Reddy Gunupati (as a Trustee of Reddy Family Trust)		
Taj GVK Hotels and Resorts Limited		
GVK Foundation		
Dimensions Corporate Finance Services Private Limited		
Srini Pharmaceuticals Private Limited (till 26.12.2022)		

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

(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 of ESOPs exercised during the year		
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
Dividends paid during the year		
Mr. Davinder Singh Brar	99.33	131.61
Aragen Employees Welfare Trust	4.80	6.36
Aparna Reddy Gunupati (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 entity in which KMP have a significant influence – Excelra Knowledge Solutions Private Limited (formerly GVK Davix Research Private Limited)		
Shared services provided	1.23	1.73
Rental Income	-	0.06

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

40 Related party disclosures (continued)

(b) Transactions with related parties

	For the year ended	
	31 March 2025	31 March 2024
Transactions with entity in which KMP have a significant influence – Excelra, Inc.		
Receivables 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 exp	(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 entity in which KMP have a significant influence - Equal Identity Private Limited		
Consultancy Services	(2.00)	-

*The managerial personnel are covered by the Group's gratuity policy and are eligible for leave encashment along with other employees of the Group. 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 Group as a whole.

(c) Balances receivable/(payable)

	For the year ended	
	31 March 2025	31 March 2024
Excelra Inc., (formerly GVK Biosciences Inc.,)	-	
Excelra Knowledge Solutions Private Limited	1.24	0.03
Taj GVK Hotels and Resorts Limited	(0.01)	(0.61)
Mr. Davinder Singh Brar	-	-
Mr. Gerhard Mayr	-	(3.70)

Directors' interests in the employee stock option plan

Share options held by executive members of 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	10.00	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			**1,905,162**	**1,996,384**

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

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

Capital expenditure

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

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**

42 Unhedged foreign currency exposure

	As at	
	31 March 2025	31 March 2024
Receivables		
United States Dollar	4,395.82	3,623.75
Euro	77.53	4.59
Canadian Dollar	4.24	3.92
Australian Dollar	12.11	-
Payables		
United States Dollar	1,687.89	994.15
Great Britain Pound	1.06	5.71
Euro	147.52	102.43
Swiss Franc	3.67	5.55
Japanese Yen	3.34	1.25
Singapore Dollar	2.13	-

43 Transfer pricing

The Group 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 Group is in the process of updating the documentation for the 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 opinion that its international transactions are at arm's length so that 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.

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

44 Additional regulatory information

(i) **Struck-off Companies:**

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

(ii) **Benami Property:**

There are no proceeding initiated or pending against the Group as at 31 March 2024, under Benami Property Transactions Act, 1988 (as amended in 2016).

(iii) **Wilful Defaulter:**

None of the entities in the group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) **Undisclosed incomes:**

The Group 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.

(v) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

(vi) 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 Group 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 Group (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) No funds, except as disclosed below, have been received from any party(s) (Funding Party) with the understanding that the Group 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.

(a) Date and amount of fund received from funding party with complete details of each funding party:

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

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

(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.

(viii) The Group 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 Group has borrowings from banks on the basis of security of current assets. Quarterly returns or statements of current assets filed by the group with banks are in agreement with the books of accounts.

(x) The Group has used the borrowings from banks for the specific purpose for which it was obtained.

(xi) The Group has not revalued any of its property, plant and equipment (including right-of-use-assets) and intangible assets during the year.

(xii) The Group 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 consolidated financial statements.

As per our Report of even date attached
For B S R and Co
Chartered Accountants
ICAI Firm Registration No: 128510W

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

R Vivek
Partner
Membership No. 225161

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: 05241166

Place: Hyderabad
Date: 30 May 2025

Place: Hyderabad
Date: 28 May 2025

Aragen Life Sciences Ltd.
28 A, IDA Nacharam
Hyderabad 500 076, India