Standalone Financial Statements

Independent Auditor's Report

To the Members of **Biocon Biologics Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Biocon Biologics Limited (the "Company")and its employees welfare trust which comprise the standalone balance sheet as at 31 March 2026, 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 (herein referred to as ("the standalone financial statements")).

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 2026, and its loss 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'/Board of Trustees' 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. The respective Management and Board of Directors of the Company/Board of Trustees of the employees welfare trust ("Trust") are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of Company/Trust 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 respective Management and Board of Directors/Board of Trustees are responsible for assessing the ability of the Company/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/Board of Trustees either intends to liquidate the Company/Trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors/Board of Trustees are responsible for overseeing the financial reporting process of the Company/Trust.

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 of the Company 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 relating to preparation of the aforesaid standalone financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(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 as on 01 April 2026 to 20 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 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) of the Act 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 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 2026 on its financial position in its standalone financial statements - Refer Note 33 (i) 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 31 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 to us that, to the best of its knowledge and belief, as disclosed in the Note 40 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 to us that, to the best of its knowledge and belief, as disclosed in the Note 40 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 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 Company has neither declared nor paid any dividend during the year.

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 audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the audit trail was not enabled.

(i) at the application level for certain fields / tables relating to all the significant processes and

(ii) for certain changes at the application level which were performed by users having privileged access rights.

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 by the Company 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 & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Sanjay Sharma
Partner
Membership No.: 063980
ICAI UDIN:26063980LHWUNO9334

Place: Bengaluru
Date:07 May 2026

Annexure A to the Independent Auditor's Report

on the Standalone Financial Statements of Biocon Biologics Limited for the year ended 31 March 2026

(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.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment 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) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(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 Right of Use assets) or intangible assets 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 goods-in-transit and 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 by the management and for goods-in-transit subsequent evidence of receipts has been traced with inventory records. 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. However, these loans are not secured with the current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to 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 granted any loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has made investments, provided guarantee or security to subsidiary companies. The Company has not made any investments, provided guarantee or security in firms, limited liability partnership or any other parties.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has given guarantee and security to subsidiary as below:

Particulars	Guarantees (INR Million)	Security (INR Million)	Loans (INR Million)	Advances in nature of loans (INR Million)
Aggregate amount during the year Subsidiaries*	7,101	-	-	-
Balance outstanding as at balance sheet date Subsidiaries*	110,774	102,361	-	-

*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, we are of the opinion that the terms and conditions of Investment made, guarantee or security provided 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, the Company has not given any loan or advance in the nature of loan to any party during the year. Accordingly, clause 3(iii)(c) to (iii)(f) of the order is not applicable.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security to any other company other than to its wholly owned subsidiary and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(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 or 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 generally 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 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 2026 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, Value added Tax, Entry Tax, Income tax, Sales tax or Cessor statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (INR Million)*	Amount paid under protest (INR in Million)*	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	985	173	FY 2018-19, FY 2019-20, FY 2015-16	CIT (Appeals), Karnataka
Income Tax Act, 1961	Income Tax	642	-	FY2011-12& FY 2020-21	ITAT, Karnataka
Income Tax Act, 1961	Income Tax	41	-	FY 2019-20	Transfer Pricing Officer, Karnataka
Income Tax Act, 1961	Income Tax	0.2	0.2	FY 2018-19	CPC, Karnataka
Goods and Services Act, 2017	Goods and Services Tax	1,163	149	FY 2019-20	Appellate - Karnataka and Uttarpradesh
Goods and Services Act, 2017	Goods and Services Tax	8	-	FY 2019-20	Commissioner - Karnataka, Tamil Nadu and Punjab
Goods and Services Act, 2017	Goods and Services Tax	31	2	FY 2020-21, FY 2021-22	Assistant Commission er - Delhi, Tamil Nadu, Telangana, Andhra Pradesh
Goods and Services Act, 2017	Goods and Services Tax	13	-	FY 2020-21	Deputy Commissioner, Karnataka
Value Added Tax Act, 2005	Value Added Tax	2	1	FY 2005-06	Commissioner (Appeals),Ch andigarh
Entry Tax (The West Bengal Tax on Entry of Goods into Local Area Act 2012)	Entry Tax	20	20	FY 2012-13 to FY 2016- 17	High Court of West Bengal
Value Added Tax Act, 2005	Value Added Tax	81	8	FY 2008-09 to FY 2015-16	Joint Commissioner (Appeals), Uttarakhand, Jharkhand, Kerala
Value Added Tax Act, 2005	Value Added Tax	2	-	FY 2017-18	Additional Commissioner, (Appeals), Uttarpradesh
Central Sales Tax Act 1956	CST	38	1	FY 2008-09 to 2013-14	Joint Commissioner (Appeals), Uttarakhand
Central Sales Tax Act 1956	CST	6	-	FY 2016-17	Additional Commissioner, (Appeals), Uttarpradesh

* All the figures are gross of amount paid under protest and have been rounded off to millions.

(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, the Company has not obtained any term loans during the year and the term loans obtained in the previous periods were fully utilised in the respective periods. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the standalone financial statement 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.

(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).

(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 or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(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) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(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) 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. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Sanjay Sharma
Partner
Membership No.: 063980
ICAI UDIN:26063980LHWUNO9334

Place: Bengaluru
Date: 7 May 2026

Annexure B to the Independent Auditor's Report

on the standalone financial statements of Biocon Biologics Limited for the year ended 31 March 2026

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)(f) 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 Biocon Biologics Limited ("the Company") as of 31 March 2026 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 2026, based on the internal financial controls with reference to financial statements criteria established by the Company 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 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 the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Sanjay Sharma
Partner
Membership No.: 063980
ICAI UDIN:26063980LHWUNO9334

Place: Bengaluru
Date: 07 May 2026

Standalone Balance Sheet as at March 31, 2026

(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)

	Note	March 31, 2026	March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	25,886	24,569
Capital work-in-progress	3(a)	1,651	4,500
Right-of-use assets	3(b)	696	960
Other intangible assets	4	1,013	1,118
Intangible assets under development	4	228	-
Financial assets			
(i) Investments	5(a)	187,915	181,862
(ii) Derivative assets		2	15
(iii) Other financial assets	6(a)	83	77
Income-tax assets (net)		774	775
Deferred tax assets (net)	7	248	660
Other non-current assets	8(a)	1,967	2,564
Total non-current assets		220,463	217,100
Current assets			
Inventories	9	23,470	15,490
Financial assets			
(i) Investments	5(b)	509	1,103
(ii) Trade receivables	10	21,201	21,549
(iii) Cash and cash equivalents	11	955	994
(iv) Bank balances other than (iii) above	11	1,523	4,593
(v) Derivative assets		-	41
(vi) Other financial assets	6(b)	372	4
Other current assets	8(b)	898	1,202
Total current assets		48,928	44,976
TOTAL ASSETS		269,391	262,076
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12(a)	16,100	13,217
Other equity	12(b)	194,911	169,675
Total equity		211,011	182,892
Non-current liabilities			
Financial liabilities			
(i) Borrowings	13	9,473	11,500
(ii) Lease liabilities	27	605	863
(iii) Derivative liabilities		100	974
(iii) Other financial liabilities	18(a)	-	8,970
Provisions	14(a)	746	409
Other non-current liabilities	15(a)	728	885
Total non-current liabilities		11,652	23,601
Current liabilities			
Financial liabilities			
(i) Borrowings	16	34,329	46,741
(ii) Lease liabilities	27	345	379
(iii) Trade payables	17		
Total outstanding dues of micro and small enterprises		522	268
Total outstanding dues of creditors other than micro and small enterprises		7,735	5,691
(iv) Derivative liabilities		547	40
(v) Other financial liabilities	18(b)	1,495	1,656
Other current liabilities	15(b)	1,116	276
Provisions	14(b)	639	532
Total current liabilities		46,728	55,583
TOTAL LIABILITIES		58,380	79,184
TOTAL EQUITY AND LIABILITIES		269,391	262,076

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

for and on **behalf of the Board of Directors of Biocon Biologics Limited**

Sanjay Sharma
Partner
Membership No.: 063980

Shreehas P Tambe
CEO and Managing Director
DIN: 09796480

Arun Chandavarkar
Director
DIN: 01596180

Kedar Upadhye
Chief Financial Officer

Akhilesh K Nand
Company Secretary
Membership No.: A13669

Place : Bengaluru
Date: May 07, 2026

Place : Bengaluru
Date: May 07, 2026

Standalone Statement of Profit and Loss for the year ended March 31, 2026

(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)

	Note	Year ended March 31, 2026	Year ended March 31, 2025
INCOME			
Revenue from operations	19		
Sale of products		26,742	22,417
Sale of services		5,025	5,214
Other operating revenue		3,041	1,912
Other income	20	6,478	15,941
Total income		41,286	45,484
EXPENSES			
Cost of raw materials and packing materials consumed	21	14,913	10,547
Purchases of traded goods		-	18
Changes in inventories of traded goods, finished goods and work-in-progress	22	(4,669)	(1,470)
Employee benefits expense	23	7,477	6,418
Finance costs	24	3,465	4,299
Depreciation and amortisation expense	25	3,842	3,067
Other expenses	26	11,370	10,924
Total expenses		36,398	33,803
Profit/(loss) before exceptional item and tax		4,888	11,681
Exceptional items	37	(10,790)	-
(Loss)/Profit before tax		(5,902)	11,681
Tax expense	29		
Current tax		624	2,041
Deferred tax charge/(credit)			
Minimum alternative tax charge/(credit)		(495)	304
Other deferred tax		930	1,027
Tax expense		1,059	3,372
(Loss)/Profit for the year		(6,961)	8,309
Other comprehensive (loss)/income			
(i) Items that will not be reclassified subsequently to profit or loss			
Re-measurement (loss) /gain on defined benefit plans		(74)	(44)
Income tax effect		26	15
		(48)	(29)
(ii) Items that will be reclassified subsequently to profit or loss			
Effective portion of (loss)/gain on hedging instrument in cash flow hedges		(185)	(292)
Income tax effect		65	105
		(120)	(187)
Other comprehensive loss for the year, net of taxes		(168)	(216)
Total comprehensive (loss)/income for the year		(7,129)	8,093
Earnings per equity share	34		
Basic (in Rs)		(4.32)	5.32
Diluted (in Rs)		(4.32)	5.15

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

for **B S R & Co. LLP**
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Firm Registration Number: 101248W/W-100022

for and on **behalf of the Board of Directors of Biocon Biologics Limited**

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Chief Financial Officer

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Company Secretary
Membership No.: A13669

Place : Bengaluru
Date: May 07, 2026

Place : Bengaluru
Date: May 07, 2026

Standalone Statement of Changes in Equity for the year ended March 31, 2026

(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)

(A) Equity share capital	March 31, 2026	March 31, 2025
Opening balance	13,217	13,217
Changes during the year (refer note 12(a))	2,883	-
Closing balance	16,100	13,217

(B) Other equity

Particulars	Equity component of compulsorily convertible preference shares	Equity component of compulsorily convertible Debentures	Redeemable Optionally Convertible Debentures ("OCD")	Reserves and surplus: Securities premium	Retained earnings	Amalgamation adjustment reserve	Debenture redemption reserve	Capital redemption Reserve	Employees stock option outstanding reserve	Other reserve	Fair value reserve for Compound Financial Instrument	Treasury shares	Other comprehensive income/(loss): Cash flow hedging reserve	Other items of other comprehensive income/(loss)	Total other equity
As at April 1, 2024	2,312	2,850	-	153,326	909	(1,614)	1,363	1,292	1,589	-	(1,039)	(13)	162	(94)	161,043
Profit for the year	-	-	-	-	8,309	-	-	-	-	-	-	-	-	-	8,309
Other comprehensive loss, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	(187)	(29)	(216)
Total comprehensive income/(loss) for the year	-	-	-	-	8,309	-	-	-	-	-	-	-	(187)	(29)	8,093
Transactions recorded directly in equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee stock compensation expense (refer note 36)	-	-	-	-	-	-	-	-	535	-	-	-	-	-	535
Transfer from debenture redemption reserve	-	-	-	-	(1,636)	-	1,636	-	-	-	-	-	-	-	-
Issue of equity shares on exercise of options	-	-	-	-	-	-	-	-	-	-	-	4	-	-	4
As at March 31, 2025	2,312	2,850	-	153,326	7,582	(1,614)	2,999	1,292	2,124	-	(1,039)	(9)	(25)	(123)	169,675
Loss for the year	-	-	-	-	(6,961)	-	-	-	-	-	-	-	-	-	(6,961)
Other comprehensive loss, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	(120)	(48)	(168)
Total comprehensive loss for the year	-	-	-	-	(6,961)	-	-	-	-	-	-	-	(120)	(48)	(7,129)
Transactions recorded directly in equity															
Employee stock compensation expense [refer note 36]	-	-	-	-	(49)	-	-	-	1,307	-	-	-	-	-	1,258
Tax withholding related to vesting of restricted stock units [refer note 36]	-	-	-	-	-	-	-	-	(497)	-	-	-	-	-	(497)
Settlement of vested restricted stock units in cash [refer note 36]	-	-	-	-	-	-	-	-	(236)	-	-	-	-	-	(236)
Deemed contribution [refer note 12(b)]	-	-	-	-	-	-	-	-	(2,271)	2,271	-	-	-	-	-
Reclassification of OCD [refer note 13(b)]	-	-	16,343	-	-	-	-	-	-	-	-	-	-	-	16,343
Transfer from debenture redemption reserve [refer note 13(b)]	-	-	-	-	1,309	-	(1,309)	-	-	-	-	-	-	-	-
Conversion of CCPS to equity shares during the year[refer note 12(a)(ii)(c)]	(2,312)	-	-	16,940	-	-	-	-	-	-	-	-	-	-	14,628
Compulsorily convertible debenture classified as Equity [refer note 13(d)]	-	150	-	-	-	-	-	-	-	-	-	-	-	-	150
Reclassification of Derivative liability [refer note 13(d)]	-	-	-	-	-	-	-	-	-	-	715	-	-	-	715
Transfer to Capital redemption reserve [refer note 12(a)(ix)]	-	-	-	(45)	-	-	-	45	-	-	-	-	-	-	-
Issue of equity shares on exercise of options	-	-	-	-	-	-	-	-	-	-	-	4	-	-	4
As at March 31, 2026	-	3,000	16,343	170,221	1,881	(1,614)	1,690	1,337	427	2,271	(324)	(5)	(145)	(171)	194,911

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Sanjay Sharma
Partner
Membership No.: 063980

Place : Bengaluru
Date: May 07, 2026

for and on **behalf of the Board of Directors of Biocon Biologics Limited**

Shreehas P Tambe
CEO and Managing Director
DIN: 09796480

Arun Chandavarkar
Director
DIN: 01596180

Kedar Upadhye
Chief Financial Officer

Akhilesh K Nand
Company Secretary
Membership No.: A13669

Place : Bengaluru
Date: May 07, 2026

Standalone Statement of Cash Flows for the year ended March 31, 2026

(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)

		Year ended March 31, 2026	Year ended March 31, 2025
I	**Cash flows from operating activities**		
	(Loss)/Profit for the year	(6,961)	8,309
	Adjustments to reconcile (loss)/profit for the year to net cash flows		
	Depreciation and amortisation expenses	3,842	3,067
	Unrealised foreign exchange (gain)/loss	82	744
	Tax expense	1,059	3,372
	Finance costs	3,465	4,299
	Interest income	(56)	(141)
	Provision/(reversal) for doubtful debts, net	13	45
	Provision for decline, other than temporary, in the value of non-current investments	25	25
	Net gain on sale of current investments	(99)	(125)
	Sale of business (net) (refer note 20)	-	(10,573)
	Fair value gain on financial assets/liabilities measured at fair value through profit or loss	(774)	1,338
	Employee stock compensation expense	574	535
	Loss on sale of property, plant and equipment	8	7
	Exceptional expenses (non-cash) (refer Note 38)	9,118	-
	Operating profit before working capital changes	**10,296**	**10,902**
	Movements in working capital		
	(Increase) in inventories	(7,980)	(1,784)
	Decrease /(Increase) in trade receivables	761	(5,519)
	Increase/(Decrease) in trade payables, other liabilities and provisions	2,833	(257)
	Decrease/(Increase) in other assets	523	(103)
	Cash generated from from operations	**6,433**	**3,239**
	Income taxes paid (net of refunds)	(555)	(2,242)
	Net cash flow generated from operating activities	**5,878**	**997**
II	**Cash flows from investing activities**		
	Purchase of property, plant and equipment	(1,009)	(1,412)
	Purchase of other intangible assets	(467)	(276)
	Proceeds from sale of property, plant and equipment (refer note (a) below)	-	42
	Purchase of preference shares of subsidiary (refer note 5)	(6,053)	(8,324)
	Investment in Unquoted equity instruments (refer note 5)	(25)	(25)
	Sale of business (refer note 20)	-	11,420
	Proceeds from sale of current investments	28,506	35,370
	Purchase of current investments	(27,813)	(36,348)
	Redemption of fixed deposit with original maturity more than 3 months, net	3,000	(4,000)
	Interest received	127	79
	Net cash flow (used in) investing activities	**(3,734)**	**(3,474)**
III	**Cash flows from financing activities**		
	Proceeds from issuance of preference shares		
	Proceeds from issuance of optionally convertible debentures [refer Note 13(e)]	-	11,900
	Proceeds Issue of equity shares on exercise of options	4	4
	Buyback of equity shares	(45)	-
	Proceeds from non-current borrowings	-	2,950
	Repayment from non-current borrowings	(250)	(9,859)
	(Repayment)/Proceeds from current borrowings (net)	121	95
	Repayment of lease liabilities (including interest)	(688)	(613)
	Interest paid	(1,395)	(1,872)
	Net cash flow (used in) / generated from financing activities	**(2,253)**	**2,605**
IV	**Net (Decrease)/ increase in cash and cash equivalents (I + II + III)**	(109)	128

Standalone Statement of Cash Flows for the year ended March 31, 2026

(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)

		Year ended March 31, 2026	Year ended March 31, 2025
V	**Effect of exchange differences on cash and cash equivalents held in foreign currency**	70	2
VI	**Cash and cash equivalents at the beginning of the year**	994	864
VII	**Cash and cash equivalents at the end of the year**	955	994
	Reconciliation of cash and cash equivalents as per statement of cash flow		
	Cash and cash equivalents (Note 11)		
	Balances with banks - on current accounts	955	994
	Deposits with original maturity of less than 3 months	-	-
	Balance as per statement of cash flows	955	994

Reconciliation between opening and closing balance sheet for liabilities arising from financing activities

Particulars	As at April 1, 2025	Cash flows	Non - cash movement: Effect of changes in Foreign Exchange rates	Non - cash movement: Changes in Fair Value	Non - cash movement: Other changes	As at March 31, 2026
Non-current borrowings (including current maturities)	40,551	(250)	-	322	(14,702)	25,921
Current borrowings (excluding current maturities)	17,690	121	70	-	-	17,881
Interest accrued but not due	32	(32)	-	-	-	-
Lease Liabilities (including current)	1,242	(688)	-	-	396	950
Total liabilities from financing activities	59,515	(849)	70	322	(14,306)	44,752

Particulars	As at April 1, 2024	Cash flows	Non - cash movement: Effect of changes in Foreign Exchange rates	Non - cash movement: Changes in Fair Value	Non - cash movement: Other changes	As at March 31, 2025
Non-current borrowings (including current maturities)	32,595	4,991	-	895	2,070	40,551
Current borrowings (excluding current maturities)	17,544	95	51	-	-	17,690
Interest accrued but not due	104	(72)	-	-	-	32
Lease Liabilities (including current)	1,681	(613)	-	-	174	1,242
Total liabilities from financing activities	51,924	4,401	51	895	2,244	59,515

a) Amounts are not presented since the amounts are rounded off to Rupees million.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

for and on **behalf of the Board of Directors of Biocon Biologics Limited**

Sanjay Sharma
Partner
Membership No.: 063980

Shreehas P Tambe
CEO and Managing Director
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Kedar Upadhye
Chief Financial Officer

Akhilesh K Nand
Company Secretary
Membership No.: A13669

Place : Bengaluru
Date: May 07, 2026

Place : Bengaluru
Date: May 07, 2026

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

1. Company Overview

1.1 Reporting entity

Biocon Biologics Limited ("BBL" or "the Company"), a subsidiary of Biocon Limited, was incorporated on June 8, 2016 under the Companies Act, 2013 as a public limited company. The Company is a public limited company incorporated and domiciled in India and has its registered office at Biocon House, Semicon Park Electronics City, Phase – II, Hosur Road, Bengaluru – 560 100. The Company is engaged in manufacture and development of pharmaceutical formulations. The Corporate Identification Number of Company is U24119KA2016PLC093936.

1.2 Basis of preparation of financial statements

a) Statement of compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

These standalone financial statements have been prepared on a going concern basis on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2026.

These standalone financial statements are approved for issuance by the Company's Board of Directors on May 07, 2026.

Details of the Company's accounting policies are included in Note 2.

b) Functional and presentation currency

These standalone financial statements are presented in Indian rupees (INR), which is also the functional currency of the Company. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

c) Basis of measurement

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

- Derivative financial instruments at fair value
- Certain financial assets and liabilities are measured at fair value; (refer note 31A)
- Net defined benefit assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations;
- Employee stock compensation at grant date fair value
- Contingent consideration receivable or payable in a business combination at fair value

d) Use of estimates and judgements

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

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

- Note 1.2(b) — Assessment of functional currency;
- Note 2(a) and 31 — Financial instruments;
- Note 2(j), 29 and 33 — Provision for income taxes and related tax contingencies and evaluation of recoverability of deferred tax assets;
- Note 2(h) and 19 — Revenue recognition: whether revenue from sale of products and licensing income is recognised over time or at a point in time

1.3 Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities in the year ending March 31, 2026 is included in the following notes:

— Note 2(e)(ii) – impairment test of non-financial assets; key assumptions underlying recoverable amounts;

— Note 2(b), 2(c), and 3 — Useful lives of property, plant and equipment and intangible assets

— Note 7 and 29 – recognition of deferred tax assets and MAT credit: availability of future taxable profit against which tax losses carried forward can be used;

— Note 2(h) and 19 – Revenue Recognition; estimate of expected returns

— Note 30 – measurement of defined benefit obligation: key actuarial assumptions;

— Note 31 – impairment of financial assets;

- Note 14 and 33 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources; and
- Note 36 – Employee stock compensation
- Note 2(d) and 9 – Provision for obsolete and slow-moving inventories.

1.4 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 31 – financial instruments.
- Note 36 – Employee stock compensation.

1.5 Operating cycle

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when –

- it expects to settle the liability, or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve month after the reporting period.

All other liabilities are classified as non-current.

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

2 Material accounting policies

a. Financial instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

- A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.
- Trade receivables generally do not contain any significant financing component requiring separation and are therefore recognized initially at the transaction price determined as per Ind AS 115 "Revenue from Contracts with Customers".

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income (FVOCI) – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

— the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

— the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

— the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss. However, see Note 31 for derivatives designated as hedging instruments.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit and loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

Compound financial instruments:

The component of compound financial instruments issued by the Company (Compulsorily Convertible Debentures) are classified separately as financial liabilities and equity in accordance with substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

iv. 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 realise the asset and settle the liability simultaneously.

v. 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 recognised in statement of profit or 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 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 recognised 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 or 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 or loss.

Net investment hedges

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of changes in the fair value of a derivative or foreign exchange gains and losses for a non-derivative is recognised in OCI and presented in other equity within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognized immediately in profit or loss. The amount recognised in OCI is fully or partially reclassified to profit or loss as a reclassification adjustment on disposal or partial disposal of the foreign operation, respectively

vi. Investments in subsidiaries

Equity investments in subsidiaries are carried at cost less accumulated impairment losses, if any.

Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

vii. 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.

viii. Cash dividend to equity holders

The Company recognises a liability to make cash distribution to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

b. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

comprises the cost of materials and direct labor, any other costs including import duty, and other non-refundable taxes or levies that are directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are disclosed under other non-current assets and cost of assets not ready for intended use before the year end, are disclosed as capital work-in-progress.

ii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life	Useful life as per Schedule II
Building	25-30 years	30 years
Roads	5-12 years	5 years
Plant and equipment (including Electrical installation and Lab equipment)	9-15 years	8-20 years
Computers and servers	3 years	3-6 years
Office equipment	3-5 years	5 years
Research and development equipment	9-10 years	5-10 years
Furniture and fixtures	6 years	10 years
Vehicles	6 years	6-10 years
Leasehold improvements	5 years or lease period whichever is lower	

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

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 of).

iii. Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

c. Intangible assets

Internally generated: Research and development

Expenditure on research activities is recognised in statement of profit and loss as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in statement of profit and loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

Others

Other intangible assets are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

i. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in statement of profit and loss as incurred and cost can be measured reliably

ii. Amortisation

Intangible assets are amortised on a straight line basis over the estimated useful life as follows:

— Computer software 3-5 years

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

d. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, packing materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

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

e. Impairment

i. Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss on following:

— financial assets measured at amortised cost; and

— financial assets measured at FVOCI- debt investments.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit losses. For all other financial assets, ECL 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.

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets.

ii. Impairment of non-financial assets

The Company assess at each reporting date whether there is any indication that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated and an impairment loss is recognised if the carrying amount of an asset or Cash Generating Unit(CGU) exceeds its estimated recoverable amount in the statement of profit and loss.

The recoverable amount of a CGU (or an individual asset) is higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flow, discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to CGU (or the asset).

The Company's non-financial assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or groups of CGUs) on a pro rata basis.

f. Employee benefits

i. Short-term employee benefits:

All employee benefits falling due within twelve months from the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

ii. Post-employment benefits:

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined benefits plans:

i. Gratuity

The Company provides for gratuity, a defined benefit plan ("the Gratuity Plan") covering the eligible employees of the Company. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of the employment with the Company.

Liability with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method.

The Company recognises the net obligation of a defined benefit plan as a liability in its balance sheet. Gains or losses through re-measurement of the net defined benefit liability are recognised in other comprehensive income and are not reclassified to statement of profit and loss in the subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognised in other comprehensive income. The effect of any plan amendments are recognised in the statement of profit and loss.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

Defined contribution plans:

ii. Provident Fund

Eligible employees of the Company receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the Company make monthly contributions to the Government administered provident fund scheme equal to a specified percentage of the eligible employee's salary. Amounts collected under the provident fund plan are deposited with in a government administered provident fund. The Company has no further obligation to the plan beyond its monthly contributions.

iii. Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using the projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur. The obligations are presented as current liabilities in the Balance sheet if the Company does not have an unconditional right to defer the settlement for at least twelve months after the reporting date

iv. Employee stock compensation

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee benefit expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

The grant date fair value of options granted (net of estimated forfeiture) to employees of the Company is recognised as an Employee benefit expense.

The Company has adopted the policy to account for Employees Welfare Trust as a legal entity separate from the Company, but as a subsidiary of the Company. Any loan from the Company to the trust is accounted for as a loan in accordance with its term.

The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards.

The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "Employee stock options outstanding reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest. For the option awards, grant date fair value is determined under the option-pricing model. Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.

When the terms of an equity-settled award are modified, the minimum expense recognised by the Company is the grant date fair value of the unmodified award, provided the vesting conditions (other than a market condition) specified on grant date of the award are met. Further, additional expense, if any, is measured and recognized as at the date of modification, in case such modification increases the total fair value of the share based payment plan, or is otherwise beneficial to the employee

v. Termination benefits are recognised as an expense in the statement of profit and loss when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense in the statement of profit and loss if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

g. Provisions (other than for employee benefits)

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contracts

A contract is considered to be 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 present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

h. Revenue from contracts with customers

i. Sale of goods

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. However, in certain cases, revenue is recognized on sale of products where shipment is on hold at specific request of the customer provided performance obligation conditions has been satisfied and control is transferred, with customer taking title of the goods. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales 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.

For contracts with distributors, no sales are recognised when goods are physically transferred to the distributor under a consignment arrangement, or if the distributor acts as an agent. In such cases, sales are recognised when control over the goods transfers to the end-customer, and distributor's commissions are presented within marketing and distribution expense.

The consideration received by the Company 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. Revenues are recorded net of provision for sales. Provision for sales is presented under the head "Provisions". Invoices are usually payable within 30-90 days.

ii. Milestone payments and out licensing arrangements

The Company enters into certain dossier sales, licensing and supply arrangements that, in certain instances, include certain performance obligations. Based on an evaluation of whether or not these obligations are inconsequential or perfunctory, the Company recognise or defer the upfront payments received under these arrangements.

Income from out-licensing agreements typically arises from the receipt of upfront, milestone and other similar payments from third parties for granting a license to product- or technology-related intellectual property (IP). These agreements may be entered into with no further obligation or may include commitments to regulatory approval, co-marketing or manufacturing. These may be settled by a combination of upfront payments, milestone payments and other fees. These arrangements typically also consist of subsequent payments dependent on achieving certain milestones in accordance with the terms prescribed in the agreement. Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones, if the milestones are considered substantive, or over the period when we have continuing performance obligations, if the milestones are not considered substantive. Whether to consider these commitments as a single performance obligation or separate ones, or even being in scope of Ind-AS 115'Revenues from Contracts with Customers, is not straightforward and requires some judgement. Depending on the conclusion, this may result in all revenue being calculated at inception and either being recognised at point in time or spread over the term of a longer performance obligation. Where performance obligations may not be distinct, this will bundled with the subsequent product supply obligations. The new standard provides an exemption for sales-based royalties for licenses of intellectual property which will continue to be recognised as revenue as and when underlying sales are made/completed.

The Company recognises a deferred income / contract liability if consideration has been received (or has become receivable) before the company transfers the promised goods or services to the customer. Deferred income mainly relates to remaining performance obligations in (partially) unsatisfied long-term contracts or are related to amounts the Company expects to receive for goods and services that have not yet been transferred to customers under existing, non-cancellable or otherwise enforceable contracts.

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.

iii. Research services

In respect of research services involving 'time and materials' contracts, research fee are recognised as services are rendered, in accordance with the terms of the contracts. The rates charged to customers are arrived at a cost plus markup basis as per the terms of the agreement with each customer.

iv. Royalty income and profit share

The Royalty income and profit share earned through a License or collaboration partners is recognised as the underlying sales are recorded by the Licensee or collaboration partners.

v. Sales return allowances

The Company accounts for sales return by recording an allowance for sales return concurrent with the recognition of revenue at the time of a product sale. The allowance is based on Company's estimate of expected sales returns. The estimate of sales return is determined primarily by the Company's historical experience in the markets in which the Company operates.

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(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

vi. Dividends

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

vii. Contribution received from customers/co-development partners towards plant and equipment

Contributions received from customers/co-development partners towards items of property, plant and equipment which require an obligation to supply goods to the customer in the future, are recognised as a credit to deferred revenue. The contribution received is recognised as revenue from operations over the useful life of the assets. The Company capitalises the gross cost of these assets as the Company controls these assets.

viii. Interest income and expense

Interest income is recognised using the effective interest method.

ix. Export incentive accrual

Income in respect of entitlement towards export incentives is recognised in accordance with the relevant scheme on recognition of the related export sales.

i. Government grants

The Company recognises government grants only 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. Government grants, which are revenue in nature are either recognised as income or deducted in reporting the related expense based on the terms of the grant, as applicable.

j. Income taxes

Income tax comprises current and deferred 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.

Current 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 realise the asset and settle the liability on a net basis.

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the standalone financial statements except when:

— taxable temporary differences arising on the initial recognition of goodwill;

— temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction;

— temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

Deferred income tax assets and liabilities are measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or substantive enactment date. A deferred income tax assets is recognised to the extent it is probable that future taxable income will be available against which the deductible temporary timing differences and tax losses can be utilised. The Company offsets income-tax assets and liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

k. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the statement of profit and loss in the period in which they are incurred.

l. Leases

(i) The Company as lessee:

The Company assesses whether a contract contains a lease, at the inception of contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control use of an identified asset, the Company assesses whether:

- The contract involves use of an identified asset;

- The Company receives substantially all the economic benefits from the use of the asset through the period of lease; and
- The Company has the right to direct the use of an asset.

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

Certain lease agreements include an option to extend or terminate the lease before the end of lease term. ROU assets and the lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., higher of fair value less cost to sell and the value-in-use) is determined on individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate explicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of- use assets if the Company changes its assessment if whether it will exercise an extension or a termination of option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and the lease payments have been classified as financing cash flows.

m. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit or loss

n. Earnings per equity share

Basic earnings per equity share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per equity share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

o. Recovery of cost from co-development partners

The Company enters into joint development arrangements with collaboration partners for development of biosimilars, wherein parties agree to share development costs. The expenditure incurred by Company towards research and development activities are recognized in accordance with applicable Ind AS. The portion of costs recoverable from co-development partners are recognized as a reimbursement of expenses.

p. Exceptional items

Exceptional items refer to items of income or expense, including tax items, within the statement of profit and loss which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

q. Recent accounting developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 - The amendment relates to classification of liabilities as current or non -current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date, and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. Further, the amendment also clarifies the classification of liability that could, at the option of counterparty, result in its settlement by transfer of the entity's own equity instruments. The Company has reassessed the classification of borrowings based on aforesaid amendments and accordingly, certain borrowings, earlier classified as non-current financial liabilities have been reclassified to current financial liabilities. This reclassification has been made retrospectively in accordance with Ind AS 8 – Accounting policies, changes in accounting estimates and errors, and the

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

comparative financial statements as at March 31, 2025 has been reclassified accordingly. Refer Note 13.

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments - Disclosures, applicable w.e.f April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief. Such disclosures are to be provided for annual reporting periods beginning on or after April 1, 2025. The Company has determined that it does not have any significant impact in its financial statements.

r. Amendment issued but not effective (effective from April 01, 2026):

The Ministry of Corporate Affairs (MCA) through notification dated August 13, 2025, notified amendment to Ind AS 1, Presentation of Financial statements. This amendment removes the carve-outs in Ind AS 1 from IAS 1 when there is a breach of a material covenant that transforms the liability from non-current to current. The company will evaluate the requirements and apply these amendments from the effective date. However, presently the Company does not see any material impact on the financial statements.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

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

	Leasehold improvements	Plant and equipment [Refer note (a)]	Research and development equipments	Furniture and fixtures	Vehicles	Total	Capital work-in-progress [Refer note (b)]
Gross carrying amount							
As at April 1, 2024	2,686	22,938	2,726	560	65	28,975	12,228
Additions	933	7,447	124	102	41	8,647	919
Disposals/transfers	-	(54)	(101)	-	(31)	(186)	(8,647)
As at March 31, 2025	3,619	30,331	2,749	662	75	37,436	4,500
Additions	556	3,443	201	67	12	4,279	1,430
Disposals/transfers	(17)	(114)	(46)	-	-	(177)	(4,279)
As at March 31, 2026	4,158	33,660	2,904	729	87	41,538	1,651
Accumulated depreciation							
As at April 1, 2024	231	8,646	1,467	266	20	10,630	-
Depreciation for the year	180	1,879	222	82	11	2,374	-
Disposals	-	(49)	(72)	-	(16)	(137)	-
As at March 31, 2025	411	10,476	1,617	348	15	12,867	-
Depreciation for the year	220	2,393	234	94	13	2,954	-
Disposals	(14)	(112)	(43)	-	-	(169)	-
As at March 31, 2026	617	12,757	1,808	442	28	15,652	-
Net carrying amount							
As at March 31, 2025	3,208	19,855	1,132	314	60	24,569	4,500
As at March 31, 2026	3,541	20,903	1,096	287	59	25,886	1,651

(a) Plant and equipment includes computer and office equipment.

(b) Capital work-in-progress primarily comprises of the Biologics manufacturing unit being currently set up in India.

(c) Borrowing cost capitalised during the year amounted to Rs 106 (March 31, 2025: Rs 138) calculated at a rate of 8.28% (March 31, 2025: 7.99%).

(d) Refer note 33(ii) for contractual commitments for purchase of property, plant and equipment.

(e) The tangible movable property, plant and equipment are given as a security for the loan taken by Biocon Biologics UK PLC, which is the subsidiary of the Company.

(f) Amounts are not presented since the amounts are rounded off to Rupees million.

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

CWIP ageing schedule:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,090	165	68	328	1,651
As at March 31, 2026	1,090	165	68	328	1,651
Projects in progress	1,206	955	291	2,048	4,500
As at March 31, 2025	1,206	955	291	2,048	4,500

CWIP completion schedule (CWIP whose completion is overdue or has exceeded its cost compared to its original plan)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Projects in progress					
Project 1	2,403	-	-	-	2,403
As at March 31, 2025	2,403	-	-	-	2,403

There are no projects as at March 31, 2026 under capital work-in-progress whose completion is overdue or cost exceeded

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

3 (b). Right-of-use assets

Particulars	Land	Buildings	Plant and equipment	Total
Gross carrying amount				
As at April 1, 2024	53	1,875	1,064	2,992
Additions	-	27	-	27
As at March 31, 2025	53	1,902	1,064	3,019
Additions	-	10	270	280
As at March 31, 2026	53	1,912	1,334	3,299
Accumulated depreciation				
As at April 1, 2024	25	783	860	1,668
Depreciation for the year	5	211	175	391
As at March 31, 2025	30	994	1,035	2,059
Depreciation for the year	5	240	299	545
As at March 31, 2026	35	1,234	1,334	2,603
Net carrying amount				
As at March 31, 2025	23	908	29	960
As at March 31, 2026	18	678	-	696

4. Other intangible assets and Intangible assets under development

Particulars	Computer software	Total	Intangible assets under development
Gross carrying amount			
As at April 1, 2024	1,626	1,626	-
Additions	276	276	-
As at March 31, 2025	1,902	1,902	-
Additions	238	238	228
As at March 31, 2026	2,140	2,140	228
Accumulated amortisation			
As at April 1, 2024	482	482	-
Amortisation for the year	302	302	-
As at March 31, 2025	784	784	-
Amortisation for the year	343	343	-
As at March 31, 2026	1,127	1,127	-
Net carrying amount			
As at March 31, 2025	1,118	1,118	-
As at March 31, 2026	1,013	1,013	228

(a) Refer note 33(ii) for contractual commitments for purchase of intangible assets.

Intangible assets under development ageing schedule:

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Projects in progress	228	-	-	-	228
As at March 31, 2026	228	-	-	-	228

There are no intangible assets under development as at March 31, 2026 and March 31, 2025 whose completion is overdue or has exceeded its cost compared to its original plan.

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

5. Investments

	March 31, 2026	March 31, 2025
(a) Non-current		
Unquoted equity instruments		
In subsidiary company at cost:		
Biocon Biologics International Limited (formerly Biocon Biologics UK Limited) - 116,771,297 (March 31, 2025 : 116,771,297) equity shares of GBP 1 each	10,810	10,810
Biocon Biologics UK PLC (formerly Biosimilars New Co Ltd) - 1,000,000,000 (March 31, 2025 : 1,000,000,000) equity shares of USD 1 each (March 31, 2025: USD 1) *	82,598	82,598
* Provided as security against the senior secured notes availed by the subsidiary - Biocon Biologics UK PLC. (Also refer note 28).		
Indian Foundation Quality Management - 5,000,000 (March 31, 2025 : 2,500,000) equity shares of INR 10 each	50	25
Impairment in value of investments in Indian Foundation Quality Management	(50)	(25)
Unquoted preference shares		
In subsidiary company at cost:		
Biocon Biologics International Limited (formerly Biocon Biologics UK Limited) - Optionally convertible redeemable non-cumulative preference shares of USD 1 each 1,160,000,000 (March 31, 2025 - 1,090,000,000 shares) fully paid	94,507	88,454
	187,915	181,862
Aggregate amount of unquoted investments	187,965	181,887
Aggregate amount of impairment in value of investments	(50)	(25)
[Also refer note 28 for details on related party transactions]		
(b) Current		
Quoted - Investment in mutual funds at fair value through profit or loss :		
Investment in mutual funds	509	1,103
	509	1,103
Aggregate market value of quoted investments	509	1,103
Aggregate carrying value of quoted investments	509	1,103

6. Other financial assets

	March 31, 2026	March 31, 2025
(a) Non-current		
Unsecured, considered good		
Deposits	83	77
	83	77
(b) Current		
Considered good - Unsecured		
Others*	372	4
	372	4

* Represents rebate and discount receivable from certain vendors.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

7. Deferred tax assets (net)

	March 31, 2026	March 31, 2025
Deferred tax liabilities		
Property, plant and equipment and intangible assets	2,544	2,174
Derivative assets	-	21
Gross deferred tax liabilities	2,544	2,195
Deferred tax assets		
MAT credit entitlement	1,755	1,327
Provision for employee benefit	393	254
Allowance for doubtful debts	30	25
Derivative liabilities	65	23
Deferred revenue	38	42
Lease liabilities	70	84
Expenses allowed on payment basis	97	162
Carried forward losses	248	835
Others	96	104
Gross deferred tax assets	2,792	2,855
Deferred tax asset (net)	248	660

8. Other assets

(Unsecured considered good, unless otherwise stated)

	March 31, 2026	March 31, 2025
(a) Non-current		
Capital advances	74	67
Balances with statutory/government authorities	1,037	1,690
Prepayments	856	807
	1,967	2,564
(b) Current		
Advance to suppliers	177	457
Balances with statutory/government authorities	360	448
Prepayments	361	297
	898	1,202

9. Inventories

	March 31, 2026	March 31, 2025
Raw materials, including goods-in-bond	5,714	3,580
Packing materials	2,523	1,346
Work-in-progress	11,675	8,197
Finished goods	3,556	2,340
Traded goods	2	27
	23,470	15,490

a) Inventories includes goods in-transit Rs 120 (March 31, 2025: Rs 204)

b) The Company considers estimated shelf life of products, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets, in determining the provision for slow moving, obsolete and other non-saleable inventory. Pursuant to the take-over of the Viatris's biosimilar business and completion of first anniversary since the exit from the transition service agreement, the Company re-assessed the provision for inventory of finished goods, raw material and semi-finished goods. This assessment resulted into a release of provision of Rs. 550 during the year ended March 31, 2025 and the credit has been accounted for as a change in estimate within 'Changes in inventories of traded goods, finished goods and work-in-progress' and 'Cost of raw materials and packing materials consumed' in the statement of profit and loss.

Including the impact of change in estimates as explained in above para, net movement in provision for stock obsolescence, inventory write-off resulted in loss of Rs. 793 (March 31, 2025: expense of Rs. 599). These were recognised as an income/expense and included in 'changes in inventories of traded goods, finished goods and work-in-progress' and 'Cost of raw materials and packing materials consumed' in statement of profit or loss.

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

10. Trade receivables

	March 31, 2026	March 31, 2025
Current		
(a) Trade receivables considered good - Unsecured	21,201	21,549
(b) Trade receivables - credit impaired	85	72
	21,286	**21,621**
Allowance for expected credit loss	(85)	(72)
	21,201	**21,549**

There is no provision for doubtful debts created towards outstanding receivable balances from related parties as at March 31, 2026 and March 31, 2025. Further, no expense was recognised during the current year (31 March 2025: Nil) in respect of bad or doubtful debts due from related parties. Refer note 28 for details on related party transactions and balances. Also refer note 31 for the Company's exposure to credit risk and currency risk.

Trade Receivables ageing schedule:

	Outstanding for following periods from due date of payment							
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	5,847	9,141	3,974	2,115	124	-	-	21,201
Undisputed trade receivables - credit impaired	-	-	-	-	10	31	44	85
As at March 31, 2026	5,847	9,141	3,974	2,115	134	31	44	21,286
Less: Allowance for expected credit loss								(85)
								21,201
Undisputed trade receivables - considered good	5,719	13,276	1,770	332	452	-	-	21,549
Undisputed trade receivables - credit impaired	-	-	-	-	28	5	39	72
As at March 31, 2025	5,719	13,276	1,770	332	480	5	39	21,621
Less: Allowance for expected credit loss								(72)
								21,549

11. Cash and bank balance

	March 31, 2026	March 31, 2025
Cash and cash equivalents		
Balances with banks:		
On current accounts	955	994
	955	994
Other bank balance		
Deposits with banks with original maturity of more than three months but less than twelve months	1,523	4,593
	1,523	4,593
Total Cash and bank balance	2,478	5,587

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

12(a). Share capital

	March 31, 2026	March 31, 2025
Authorised		
2,500,000,000 (March 31, 2025: 2,500,000,000) equity shares of Rs 10 each (March 31, 2025: Rs 10 each)	25,000	25,000
1,000,000,000 (March 31, 2025: 1,000,000,000) preference shares of Rs 10 each (March 31, 2025: Rs 10 each)	10,000	10,000
Issued, subscribed and fully paid-up share capital		
1,609,951,323 (March 31, 2025: 1,321,724,958) equity shares of Rs 10 each	16,100	13,217
205,420,000 (March 31, 2025: 205,420,000) Non Convertible Redeemable Preference Shares ("NCRPS") of Rs 10 each	2,054	2,054
Nil (March 31, 2025: 231,163,944) Compulsorily Convertible Preference Shares ("CCPS") of Rs 10 each	-	2,312
	18,154	**17,583**
Less : NCRPS classified as a financial liability (refer note 13)	(2,054)	(2,054)
Less : CCPS classified as a equity instrument	-	(2,312)
Equity share capital	16,100	13,217

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

(a) Equity shares

	March 31, 2026		March 31, 2025	
	No.	Rs	No.	Rs
At the beginning of the year	1,321,724,958	13,217	1,321,724,958	13,217
Issued during the year [refer (ii)(c) below]	292,726,365	2,928	-	-
Shares extinguished on buy back (refer note (ix) below)	(4,500,000)	(45)	-	-
Outstanding at the end of the year	1,609,951,323	16,100	1,321,724,958	13,217

(b) Non convertible redeemable preference shares

	March 31, 2026		March 31, 2025	
	No.	Rs	No.	Rs
At the beginning of the year	205,420,000	2,054	205,420,000	2,054
Outstanding at the end of the year	205,420,000	2,054	205,420,000	2,054

(c) Compulsorily convertible preference shares

	March 31, 2026		March 31, 2025	
	No.	Rs	No.	Rs
At the beginning of the year	231,163,944	2,312	231,163,944	2,312
Converted during the year [refer (ii)(c)]	(231,163,944)	(2,312)	-	-
Outstanding at the end of the year	-	-	231,163,944	2,312

(ii) Terms/ rights attached to

(a) Equity shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

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

(b) Non convertible redeemable preference shares

(i) The NCRPS has been issued to Biocon Limited. The tenure of the NCRPS shall be 10 years.

(ii) The Company or NCRPS holder shall have the option to redeem the NCRPS at any time during the tenure of the NCRPS. If the Company or holder of NCRPS exercises such option of early redemption, the NCRPS shall be redeemable at its face value.

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

(iii) The holder of the NCRPS shall be entitled to preferential dividend of 8.3% per annum on the face value of the NCRPS as may be mutually decided between the Company and the NCRPS holder. The dividends are non-cumulative and will be payable subject to availability of profits in the respective financial year and subject to declaration by the Board of Directors of the Company.

(iv) Until redemption of the NCRPS, the NCRPS holder shall have priority of payment of dividend over the equity shareholders.

(v) The NCRPS are redeemable, at its face value, any time during the tenure of the instrument at the option of the holder. Owing to this feature, the instrument has been classified as financial liability and disclosed at its fair value which is equivalent to the face value. Also refer note 13.

(c) Compulsorily convertible preference shares

(i) These CCPS were issued to Mylan Inc. as consideration towards purchase of biosimilar business. The tenure of the CCPS shall be 10 years.

(ii) Each CCPS shall be convertible into equity shares at any time at the option of the holder at a conversion rate of 1:1. The Company has an obligation to issue further equity shares to Mylan Inc, subject to maximum of 61,562,420 equity shares, such that the fair value of the equity holding by Mylan Inc post conversion is atleast USD 1,000 Mn.

(iii) The holder of CCPS shall be entitled to preferential dividend of 0.001% per annum of the face value per CCPS.

(iv) Until redemption of the CCPS, the CCPS holder shall have priority of payment of dividend over the equity shareholders.

(v) The CCPS holder shall be entitled to vote in all general meetings of Shareholders as if such CCPS holder held the number of Shares into which its CCPS can be converted (on a fully diluted basis).

(vi) On December 6, 2025, Biocon Limited (Holding Company) entered into Share Swap and Share Purchase Agreement (SSPA) with Mylan Inc for acquisition of Equity shares. Accordingly, the company issued additional number of 61,562,422 equity shares at the fair market value of Rs. 17,555 million pursuant to conversion notice from Mylan Inc to convert 231,163,944 Compulsorily Convertible Preference Shares into 292,726,365 equity shares of the Company.

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

	March 31, 2026		March 31, 2025	
	No.	% holding	No.	% holding
Equity shares of Rs 10 each fully paid				
Biocon Limited, the Holding Company	1,597,785,965	99.24%	1,192,199,103	90.20%
Serum Institute Life Sciences Private Limited*	-	-	78,902,725	5.97%
NCRPS of Rs 10 each fully paid				
Biocon Limited, the Holding Company	205,420,000	100.00%	205,420,000	100.00%
CCPS of Rs 10 each fully paid				
Mylan Inc [refer (ii)(c) above]	-	-	231,163,944	100.00%

*During the year ended March 31, 2026, Biocon Limited has acquired the equity shares of the Company held by Serum Institute Life Sciences Private Limited.

As per records of the Company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownerships of shares.

(iv) Pursuant to the Transaction Agreement (TA) between the Company and Viatris Inc, the Board of Directors on November 29, 2022 allotted 1 equity shares at a issue price of Rs 280.74 per share and 231,163,944 CCPS of Rs 10 each for Rs 355.51 per share to Mylan Inc as consideration for acquisition of equity interest in Biocon Biologics UK PLC (erstwhile Biosimilars NewCo Limited). These shares were issued for consideration other than cash.

(v) For details of any securities convertible into equity, please refer notes 12(a)(i)(c), 12(a)(ii)(c),13 (b), 13(c), 13(d), 13(e).

(vi) For details of shares reserved for issue under Employee stock compensation plans, please refer note 36.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

(vii) Shareholding of promoters

	March 31, 2026		March 31, 2025		March 31, 2024		% Change during the year ending	
	No. of shares	% of total shares	No. of shares	% of total shares	No. of shares	% of total shares	March 31, 2026	March 31, 2025
Biocon Limited								
(a) Equity shares	1,597,785,965	99.24%	1,192,199,103	90.20%	1,172,399,798	88.70%	34.02%	1.69%
(b) NCRPS	205,420,000	100.00%	205,420,000	100.00%	205,420,000	100.00%	-	-

(viii) Dividends

The amount of per share dividend recognized as distributions to equity shareholders for the year ended March 31, 2026 Nil (March 31, 2025 : Nil).

(ix) The Board of Directors of the Company, at its meeting held on 23 March 2026 had approved the proposal of Buy back of 4,500,000 fully paid-up equity shares of the Company of face value of 10 each at a price of 10 per equity share, for an aggregate amount not exceeding Rs 45 through the tender offer process ("Buyback"), in accordance with the provisions of the Companies Act, 2013, and rules made thereunder. The buyback issue opened and closed on 27 March 2026. The Company has utilised Securities Premium (Rs 45)for the buyback of its equity share.In accordance with Section 69 of the Companies Act, 2013, the Company has created Capital Redemption Reserve of Rs 45 equal to the nominal value of the shares bought back as an appropriation from the Securities Premium.

(x) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

- 292 million (31 March 2025 : nil) equity shares of Rs 10 each have been issued to Mylan Inc. pursuant to conversion of CCPS. (refer note (ii) (c) above).
- 4.5 million (31 March 2025: nil) equity shares of Rs 10 each have been bought back from the shareholders (refer note (ix) above).

12(b). Other equity

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings

The amount that can be distributed by the Company as dividends to its equity shareholders.

Amalgamation adjustment reserve

The amalgamation adjustment reserve is created to account for business combinations of entities under common control.

Debenture redemption reserve

The Company had issued Redeemable Optionally Convertible Debentures ("OCD") in prior years. As per the provisions of the Companies Act, 2013, debenture redemption reserve was created out of profits of the Company available for payment of dividend. During the year ended March 31, 2026, upon classification of OCD to equity, the related debenture redemption reserve has been reclassified to Retained earnings. Refer note 13(c) for further details.

Capital redemption reserve

The Company had redeemed Non Convertible Redeemable Preference Shares in prior years and as per the provisions of the Companies Act, 2013, a sum equal to the nominal value of the shares redeemed was transferred to the capital redemption reserve.

Employees stock option outstanding reserve

The Company has established equity settled share based payment plans for certain categories of employees. Refer note 36 for further details on these plans. The amounts recorded in this reserve are transferred to share premium upon exercise of stock options by employees. In case of closure of the plan, the corresponding balance is transferred to general reserve. In case of one off cash settlement of vested stock options, the employee stock option reserve originally created against those options are utilized.

Fair value reserve for Compound Financial Instrument

In earlier years, the Company had issued Compulsory Convertible Debentures (CCD). Fair value of derivative embedded in CCD at inception amounts to Rs. 1,039. Refer note 13(d) and 31 for further details.

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

Treasury shares

Own equity instruments held by Biocon Biologics Employees Welfare Trust that are reacquired [treasury shares] are recognised at cost and disclosed as deducted from equity.

Cash flow hedging reserves

The cash flow hedging reserve represents the cumulative effective portion of gain or loss (net of taxes, if any) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges.

Other Items of other comprehensive income/(loss)

Other Items of other comprehensive income/(loss) represents mark to market gain or loss on financial assets classified as FVTOCI and re-measurements of the defined benefits plan.

Other reserves

During the year, certain employees of the Company exercised their vested stock options. Pursuant to such exercise, equity shares of the Company held by the Holding Company (through its nominees) were transferred directly to the employees towards settlement of the options. This transaction has been accounted for as a deemed capital contribution from the Holding Company and accordingly recognised under "Other Reserves"

13. Non-current borrowings

	March 31, 2026	March 31, 2025
Loans from banks (unsecured)		
Term loan [refer note (a) below]	2,700	2,950
Other loans from related parties (unsecured)	2,054	2,054
Non Convertible Redeemable Preference Shares [refer note 12(a)(ii)(b)]	21,167	19,318
Optionally Convertible Debentures ("BL OCD") [refer note (c) and note (e) below]		
Other loans (unsecured)		
Redeemable Optionally Convertible Debentures ("OCD") [refer note (b) below]	-	16,079
Compulsory Convertible Debentures ("CCD") [refer note (d) below]	-	150
	25,921	40,551
Less: Current Maturities disclosed under the head "Current borrowings" [refer note 16 and note (g) below]	(16,448)	(29,051)
	9,473	11,500
The above amount includes:		
Unsecured borrowings	25,921	40,551
Amount disclosed under the head "Current borrowings" [refer note 16 and note (g) below]	(16,448)	(29,051)
Net amount	9,473	11,500

(a) During the year ended March 31, 2025, the Company had obtained an unsecured rupee term loan facility from The Federal Bank repayable in 6 quarterly instalments commencing from December 2025. Term loan carries an interest rate of 8.50% p.a. The outstanding value of loan is Rs. 2,700 (March 31, 2025: 2,950).

(b) During the year ended March 31, 2021, the Company had entered into an agreement with Goldman Sachs India AIF Scheme-1 ('Investor') whereby the Investor had infused Rs. 11,250 against issuance of OCD. The debentures are issued for a tenor of 61 months, maturing on January 2026 and extended till August 2026 are unsecured, redeemable at par and carry a conversion option at any time during the tenor at the option of the investor. OCD bears a coupon rate of 5% per annum payable on compounded and cumulative basis only on redemption. The debentures was accounted as a debt financial instrument in line with Ind AS, given that it has financial liability feature.

During the year ended March 31, 2026, the OCD held by Goldman Sachs India AIF Scheme – 1 and Goldman Sachs India Alternative Investment Trust AIF Scheme – 2 was acquired by Biocon Limited (Holding Company). On November 3, 2025 the Holding Company has issued a commitment letter effective July 1, 2025 for exercising its right to convert OCDs as per the Subscription Agreement on maturity; consequently, OCDs are reclassified to ""Other Equity"". Accordingly, Debenture redemption reserve has been reclassified to Retained earnings. Subsequent to the year end, the Holding Company has exercised the right to conversion and the OCDs are converted into equity shares on 07 May 2026.

(c) During the year ended March 31, 2024, the Company had entered into debenture subscription agreement with Biocon Limited for issuance of 17,810,073 Optionally Convertible Debentures ("BL OCD") on private placement basis at an issue price of Rs. 280.74 amounting to Rs. 5,000. The BL OCD's are issued for a tenor of 47 months, are unsecured, redeemable at par and carry a conversion option at any time during the tenor at the option of the investor. BL OCD bears a coupon rate of 12% per annum plus agreed variable coupon payable on compounded and cumulative basis only on redemption. The variable coupon is linked to the equity share price of the Company. The BL OCD's are convertible upon occurrence of Conversion event. The debentures were accounted as a debt financial instrument in line with Ind AS, given that it has financial liability feature. Accordingly, the consideration received was recorded as financial liability. As at 31 March 2026, the interest payable is Rs. 1,918 (March 31, 2025: 1,596) and has been recorded under "Finance cost".

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

(d) During the year ended March 31, 2024, the Company has issued 1,06,86,044 compulsory convertible debentures (""CCD"") to ESOF III Investment Fund and Edelweiss Alternative Asset Advisors Limited, on private placement basis at an issue price of Rs. 280.74 amounts to Rs. 3,000.The CCD's were issued for a tenor of 10 years, are unsecured, redeemable at par and carry a conversion option at any time during the tenor at the option of the investor. In the event the CCDs are not converted before the end of the tenor, they shall automatically convert into equity shares. CCD carries a contingent coupon which is formulated to provide a minimum return of 12% per annum to the investor upon occurrence of certain specified events, as outlined in the securities subscription agreement, with the payout linked to the equity share price of the Company. The CCD's are convertible upon occurrence of conversion event at 1:1 ratio. The debentures were accounted as a compound financial instrument in line with Ind AS, given that it has financial liability and equity feature. Accordingly, a derivative liability was recorded at the time of initial recognition in respect of contingent coupon obligation. This derivative liability was fair valued through profit and loss at every reporting date.

During the year ended March 31, 2026, the CCD held by ESOF III Investment Fund and Edelweiss Alternative Asset Advisors Limited was acquired by Biocon Limited (Holding Company) on 05 January 2026. The Holding company has issued a commitment letter effective from 05 January 2026 for exercising its rights to convert the CCD's into equity shares. The terms under which Holding Company exercises the conversion option does not constitute one of the specified events under the agreement that would trigger the payment of the contingent coupon, thereby the obligation to pay contingent coupon is not applicable. Hence the derivative liability in respect to contingent coupon was de-recognised and the resultant gain on de-recognition was recorded directly with in equity as this represents the transaction with Holding Company in the capacity of shareholder. Subsequent to the year end, the Holding Company has exercised its right to conversion and the CCD are converted into equity shares on 07 May 2026.

(e) During the year ended March 31, 2025, the Company has entered into debenture subscription agreement with Biocon Limited for issuance of 2,38,00,000 Optionally Convertible Debentures ("BL OCD") on private placement basis at an issue price of Rs. 500 per unit amounting to Rs. 11,900. The BL OCD are issued for a tenor of 60 months, are unsecured, redeemable at par and carry a conversion option at any time during the tenor at the option of the investor. BL OCD bears a coupon rate of 12% per annum payable on compounded and cumulative basis only on redemption. The debentures was accounted as a debt financial instrument in line with Ind AS, given that it has financial liability feature. Accordingly, the consideration received was recorded as financial liability. As at March 31, 2026, the interest payable amounts to Rs. 2,349 (March 31, 2025: Rs.822) and has been recorded under "Finance cost".

(f) The term loans obtained from the Bank are not subject to any financial covenants.

(g) During the year ended March 31, 2026, the Company had reassessed the classification of certain Borrowings based on the requirements of Companies (Indian Accounting Standards) Second Amendment Rules, 2025, notified by the Ministry of Corporate Affairs on August 13, 2025 with respect to Ind AS 1 – Presentation of Financial Statements effective 1 April 2025. Accordingly, certain borrowings, earlier classified as non-current financial Liabilities have been reclassified to current financial liabilities. This reclassification has been made retrospectively in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, and the comparative financial statements as at March 31, 2025 amounting to Rs. 12,722, under the head "Borrowings" have been reclassified accordingly.

(h) The Company's exposure to liquidity, interest rate and currency risks are disclosed in note 31. Also refer note 28 for details on related party transactions and balances.

(i) The interest accrued on borrowings measured at amortised cost as at 31 March 2026 is Rs. 31 (March 31, 2025: 32). Refer Note 18

14. Provisions

	March 31, 2026	March 31, 2025
(a) Non-current		
Provision for employee benefits		
Gratuity [refer note 30 (i)]	746	409
	746	409
(b) Current		
Provision for employee benefits		
Gratuity [refer note 30 (i)]	136	70
Compensated absences[refer note 30 (ii)]	367	326
Provision for sales return	136	136
	639	532

(i) Movement in provisions

	For the year ended March 31, 2026		
	Gratuity	Compensated Absences	Sales return
Opening balance	479	326	136
Provision recognised/(utilised) during the year	403	41	-
Closing balance	882	367	136

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

	For the year ended March 31, 2025		
	Gratuity	Compensated Absences	Sales return
Opening balance	454	331	136
Provision recognised/(utilised) during the year	25	(5)	-
Closing balance	479	326	136

15. Other liabilities

	March 31, 2026	March 31, 2025
(a) Non-current		
Deferred revenues [refer note 19]*	728	885
	728	885
(b) Current		
Advance from customers [refer note 19]	-	9
Statutory dues and dues payable	987	161
Deferred revenues [refer note 19]	129	106
	1,116	276

*Includes contribution received from co-development partner towards items of property, plant and equipment [refer note 28]

16. Current borrowings

	March 31, 2026	March 31, 2025
From banks/ financial institutions		
Packing credit foreign currency loan (unsecured) [refer note (i) below]	2,430	6,510
Packing credit rupee export loan (unsecured) [refer note (ii) below]	10,951	6,180
Term Loan (unsecured) [refer note (iii) below]	4,500	5,000
Current maturities of non-current borrowings [refer note 13]	16,448	29,051
	34,329	46,741

(i) The Company has obtained foreign currency short term unsecured pre-shipment credit loans from various banks that carries fixed interest rate ranging from 4.63% p.a. to 4.7% p.a (March 31, 2025: 5.06% p.a. to 5.66% p.a). Packing credit foreign currency loan tenure is upto 180 days from the date of draw down.

(ii) The Company has obtained rupee denominated short term unsecured pre-shipment credit loans from various banks that carries interest rate ranging from 6.25% p.a. to 6.95% p.a (March 31, 2025: 6.9% p.a. to 7.9% p.a). Packing credit rupee loan tenure is upto 180 days from the date of draw down.

(iii) The Company has obtained short term unsecured loan from various banks that carries interest rate ranging from 6.67% p.a. to 6.75% p.a (March 31, 2025: 7.5% p.a. to 7.8% p.a). The tenure of the loan is 365 days from the date of draw down.

(iv) The Company's exposure to liquidity, interest rate and currency risks are disclosed in note 31. Also refer note 28 for details on related party transactions and balances.

17. Trade payables

	March 31, 2026	March 31, 2025
Trade payables		
Total outstanding dues of micro and small enterprises	522	268
Total outstanding dues of creditors other than micro and small enterprises	7,735	5,691
	8,257	5,959
Refer note 28 for details on related party transactions and balances.		
(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006		
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each year		
Principal amount due to micro and small enterprises	522	268
Interest due on the above	1	3

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

		March 31, 2026	March 31, 2025
(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	302	2,713
(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	4	4
(iv)	The amount of interest accrued and remaining un-paid at the end of each accounting year	-	-
(v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	100	96

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/ suppliers.

Trade payables ageing schedule:

	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro and small enterprises	-	341	174	3	3	1	522
(ii) Others	2,545	1,734	3,303	66	83	4	7,735
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
As at March 31, 2026	2,545	2,075	3,477	69	86	5	8,257
(i) Micro and small enterprises	-	190	71	4	2	1	268
(ii) Others	1,436	2,478	1,620	134	14	10	5,691
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
As at March 31, 2025	1,436	2,668	1,691	138	16	11	5,959

All the trade payables are 'current'. The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 31.

18. Other financial liabilities

	March 31, 2026	March 31, 2025
(a) Non-current		
Contingent consideration payable (Derivative) (refer note below)	-	8,970
	-	8,970

In earlier years, the Company had issued Compulsorily Convertible Preference Shares (CCPS) to Mylan Inc as consideration towards acquiring the biosimilar business from Mylan Inc. Each CCPS shall be convertible into equity shares at any time at the option of the holder at a conversion rate of 1:1. The Company had an obligation to issue further equity shares to Mylan Inc, subject to maximum of 61,562,420 equity shares, such that the fair value of the equity holding post conversion is atleast USD 1,000 million. The obligation to issue additional shares was previously recorded as "contingent consideration" The CCPS on initial recognition has been bifurcated into equity component (fixed to fixed conversion) and contingent consideration (derivative liability). The derivative liability was recorded at fair value having regard to timing and probability of issuance of additional shares and the fair value changes were recorded within the statement of profit and loss.

On December 6, 2025, Biocon Limited entered into Share Swap and Share Purchase Agreement (SSPA) with Mylan Inc Pursuant to the SSPA, Mylan Inc converted the 231,163,944 CCPS issued by the company into 292,726,365 equity shares. Upon conversion, the Company issued additional 61,562,420 equity shares, (in accordance with Shareholder's agreement) having an aggregate fair value of Rs. 17,555. At the date of conversion of CCPS to Equity, the carrying value of the related derivative liability, determined with reference to the timing and probability of the additional share issuance amounted to Rs. 8,437. This fair value changes resulted in a loss of Rs. 9,118 which is recorded within "Exceptional Items" in the standalone statement of profit or loss.

At March 31, 2026, the fair value of contingent consideration payable is Rs. Nil (March 31,2025: Rs 8,970).

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

	March 31, 2026	March 31, 2025
(b) Current		
Interest accrued but not due	31	32
Payables for capital goods	836	515
Employee benefits payable	628	1,103
Derivative premium payable	-	6
	1,495	1,656

19. Revenue from operations

	Year ended March 31, 2026	Year ended March 31, 2025
Sale of products		
Finished goods	26,742	22,414
Traded goods	-	3
Sale of services		
Research fees	5,008	4,725
Licensing and development fees	17	76
Others	-	413
Other operating revenue		
Export incentive	13	8
Performance linked incentives	-	250
Sale of process waste	8	1
Others [refer note (a) below]	3,020	1,653
	34,808	29,543

(a) Others include processing charges and cross charge of facilities by the Company to its group companies.

19.1 Disaggregated revenue information

	Year ended March 31, 2026	Year ended March 31, 2025
Revenues By Geography		
Revenues from contracts with customers		
India	3,678	3,846
United Kingdom	12,195	15,989
Rest of the world	18,935	9,708
Total revenue from operations	34,808	29,543

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

19.2 Changes in contract liabilities: deferred revenue and advance from customers

	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning of the year	1,000	1,271
Add: Increase/(Decrease) due to invoicing during the year	-	(50)
Less: Amounts recognised as revenue during the year	(143)	(221)
Balance at the end of the year	857	1,000
Expected revenue recognition from remaining performance obligations:		
- Within one year	129	115
- More than one year	728	885
	857	1,000

19.3 Contract balances

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

	Year ended March 31, 2026	Year ended March 31, 2025
Trade receivables	21,201	21,549
Contract liabilities	857	1,000

Trade receivables are non-interest bearing. Contract liabilities include deferred revenue and advance from customers

19.4 Performance obligation:

In relation to information about Company's performance obligations in contracts with customers [refer note 2(i)].

19.5 Significant customer

There are two (March 31, 2025: three) customers (which are wholly owned subsidiaries of the Company) who contribute individually more than 10% of the total revenue of the Company for the year ended March 31, 2026. Total revenue from two such customers amounted to Rs Rs. 24,679 (March 31, 2025: Rs 19,760).

19.6 Reconciliation of revenue from contracts with customers

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers as per contract price	31,793	27,706
Adjustments made to contract price on account of :-	-	-
a) Chargebacks / Discounts / Rebates / Incentives	-	-
a) Sales returns/ reversals	(26)	(75)
Revenue from contracts with customers as per statement of profit and loss	**31,767**	**27,631**

20. Other income

	Year ended March 31, 2026	Year ended March 31, 2025
Interest income on deposits with banks and financial institutions under the effective interest method on financial asset carried at amortised cost	56	141
Net gain on sale of current investments	99	125
Sale of business (net) [refer note (a) below]	-	10,573
Other non-operating income [refer note (b) below]	5,549	5,102
Net gain on financial assets/liabilities measured at fair value through profit or loss	774	-
	6,478	**15,941**

(a) In March 2024, the Company had entered into a long-term commercial collaboration agreement with Eris Lifesciences for the sale of its business in relation to Metabolics, Oncology, and Critical Care products in India for a consideration of Rs. 12,420. As a part of deal the Company has signed a 10-year supply agreement with Eris. The transaction came into effect on April 1, 2024. The sale value is accounted post taking into account working capital, advance for supply agreement and expenses incurred towards commercial collaboration. Consequential tax impact of Rs. 2,520 is included within tax expense for the year ended March 31, 2025.

(b) Other non-operating income includes support services cross charge to subsidiaries.

21. Cost of raw materials and packing materials consumed

	Year ended March 31, 2026	Year ended March 31, 2025
Inventory at the beginning of the year	4,926	5,183
Add: Purchases	18,224	10,290
Less: Inventory at the end of the year	(8,237)	(4,926)
	14,913	**10,547**

22. Changes in inventories of traded goods, finished goods and work-in-progress

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

	Year ended March 31, 2026	Year ended March 31, 2025
Inventory at the beginning of the year		
Traded goods	27	184
Finished goods	2,340	2,495
Work-in-progress	8,197	6,415
	10,564	9,094
Inventory at the end of the year		
Traded goods	2	27
Finished goods	3,556	2,340
Work-in-progress	11,675	8,197
	15,233	10,564
	(4,669)	(1,470)

23. Employee benefits expense

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus*	6,066	5,693
Contribution to provident and other funds	270	250
Gratuity [refer note 30]	105	87
Employee stock compensation expense [refer note 36]	622	75
Staff welfare expenses	414	313
	7,477	6,418

* Includes expenses towards compensated absences (refer note 30)

24. Finance cost

	Year ended March 31, 2026	Year ended March 31, 2025
Interest expenses on financial liabilities [refer note (a) below]	3,349	4,152
Interest expenses on lease liabilities [refer note 27]	116	147
	3,465	4,299

(a) Interest expense on financial liabilities is net off borrowing cost capitalised during the year amounting to Rs. 106 (March 31, 2025 - Rs. 138).

25. Depreciation and amortisation expense

	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation of Property, plant and equipment [refer note 3(a)]	2,954	2,374
Depreciation of right-of-use assets [refer note 3(b)]	545	391
Amortisation of intangible assets [refer note 4]	343	302
	3,842	3,067

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

26. Other expenses

	Year ended March 31, 2026	Year ended March 31, 2025
Royalty and technical fees	17	1
Rent [refer note 27]	15	15
Communication expenses	14	26
Power and fuel	1,587	1,532
Repairs and maintenance:		
Plant and machinery	2,415	1,914
Building	325	269
Others	393	311
Selling expenses:		
Freight outwards and clearing charges	319	363
Sales promotion expenses	237	16
Commission and brokerage (other than sole selling agents)	52	18
Lab consumables	1,344	821
Professional charges	1,163	1,118
Payment to auditors [refer note (a) below]	48	61
Rates, taxes and fees	189	104
Travelling and conveyance	437	283
Research and development expenses	1,796	1,804
Foreign exchange loss, net	387	469
Net loss on financial assets/liabilities measured at fair value through profit or loss	-	1,338
Printing and stationery	46	32
Provision/(reversal) for doubtful debts, net	13	45
Directors' fees including commission	48	58
Corporate social responsibility (CSR) expenses [refer note 38]	243	1
Insurance	128	117
Miscellaneous expenses	154	208
	11,370	10,924
(a) Payment to auditors:		
As auditor:		
Statutory audit fee	40	36
Tax audit fee	1	1
In other capacity:		
Other services (certification fees)	2	21
Reimbursement of out-of-pocket expenses	5	3
	48	61
(b) Details of research and development expenditure incurred (charged to statement of profit and loss)		
Research and development expenses	1,796	1,804
Lab consumables	1,344	821
Employee benefits expense	1,425	1,385
	4,565	4,010

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

27. Leases

The Company had entered into lease agreements for use of land, buildings and plant & machinery which expires over a period ranging up to the financial year of 2032-2033. Gross payment for the year aggregate to Rs 689 (March 31, 2025- Rs. 613).

The following is the movement in the lease liabilities

	Total
Balance as at April 1, 2024	**1,681**
Additions during the year	27
Finance cost accrued during the year	147
Payment of lease liabilities	(613)
Balance as at March 31, 2025	**1,242**
Additions during the year	280
Finance cost accrued during the year	116
Payment of lease liabilities	(688)
Balance as at March 31, 2026	**950**

The following is the breakup of current and non-current lease liabilities

Particulars	March 31, 2026	March 31, 2025
Current lease liabilities	345	379
Non-current lease liabilities	605	863

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

	March 31, 2026	March 31, 2025
Less than one year	379	410
One to five years	734	1,071
More than five years	22	52
Total	1,135	1,533

	March 31, 2026	March 31, 2025
The following are the amounts recognised in Statement of profit or loss for the year		
Depreciation expense of right of use-assets [refer note 25]	545	391
Interest expenses on lease liabilities [refer note 24]	116	147
Payment for leases for short term and low value asset [refer note (i) below and 26]	15	15
Total	676	553

(i) The Company applies the short-term lease recognition exemption to its short-term leases of certain premises taken on lease (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

28. Related party disclosures:

The following table provides the value of transactions that have been entered into with related parties for the relevant financial year:

Sl. No.	Name of the related party	Relationship	Description of transaction	April 1, 2025 to March 31, 2026 (Income)/ Expenses/ Other transactions)	Balance as at March 31, 2026 (Payable)/ Receivable	April 1, 2024 to March 31, 2025 (Income)/ Expenses/ Other transactions)	Balance as at March 31, 2025 (Payable)/ Receivable
1	Biocon Limited	Holding Company	Expenses incurred by related party on behalf of the Company	224	-	267	-
			Expenses incurred on behalf of the related party	(2)	-	(27)	-
			Professional charges	376	-	373	-
			Research fees [refer note (g) below]	-	-	(107)	-
			Payment for leases	306	-	294	-
			Power and fuel	1,555	-	1,542	-
			Staff welfare expenses	83	-	103	-
			Royalty and technical fees	7	-	26	-
			Employee stock compensation expense	32	-	54	-
			Interest on optionally convertible debentures [refer note 13(c) & (e)]	1,849	-	1,717	-
			Sale of products	(68)	-	-	-
			Purchase of products	104	-	70	-
			Optionally convertible debentures issued [refer note 13(c) & (e)]	-	(21,167)	(11,900)	(19,318)
			Trade payables	-	(601)	-	(1,156)
			Reimbursement of performance linked incentive	-	-	(250)	-
2	Biocon Biologics International Limited (erstwhile Biocon Biologics UK Limited)	Subsidiary	Research fees	-	-	(3,880)	-
			Cross charges towards facility and other expenses	-	-	(1,686)	-
			Sale of products	-	-	(4,356)	-
			Expenses incurred by related party on behalf of the Company	-	-	(2)	-
			Income from support service	-	-	(589)	-
			Investment in preference shares[refer Note 5]	6,053	-	8,324	-
			Trade receivables	-	-	-	7,541

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	April 1, 2025 to March 31, 2026 (Income)/ Expenses/ Other transactions)	Balance as at March 31, 2026 (Payable)/ Receivable	April 1, 2024 to March 31, 2025 (Income)/ Expenses/ Other transactions)	Balance as at March 31, 2025 (Payable)/ Receivable
3	"Biocon Biologics UK PLC (erstwhile Biosimilars NewCo Limited)"	Subsidiary	Sale of products	(12,019)	-	(6,484)	-
			Research fees	(6,623)	-	-	-
			Charges for guarantee income	(64)	-	(146)	-
			Income from support service	(3,407)	-	(2,617)	-
			Expenses incurred on behalf of the related party	(64)	-	(14)	-
			Guarantee released / (given)	-	(109,839)	-	(27,337)
			Trade receivables	-	11,980	-	4,707
4	Biocon Biologics Ireland Limited (erstwhile Biosimilar Collaboration Ireland Ltd)	Step-down subsidiary	Expenses incurred on behalf of the related party	(516)	-	(504)	-
			Income from support service	(1,982)	-	(1,644)	-
			Charges for guarantee income [refer note (g) below]	-	-	-	-
			Research fees	(432)		(316)	
			Sale of products	(5,528)	-	(3,039)	-
			Trade receivables	-	2,044	-	3,932
5	Biocon SDN BHD	Step-down subsidiary	Expenses incurred on behalf of the related party	(226)	-	(115)	-
			Research fees	(244)	-	(449)	-
			Cross charges towards facility and other expenses	-	-	1	-
			Sale of products	(206)	-	(353)	-
			Expenses incurred by related party on behalf of the Company [refer note (g) below]	155	-	-	-
			Purchase of goods	1,118	-	1,243	-
			Trade payables	-	(13)	-	(179)
			Guarantee released / (given)	-	(935)	-	(854)

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	April 1, 2025 to March 31, 2026 (Income)/ Expenses/ Other transactions)	Balance as at March 31, 2026 (Payable)/ Receivable	April 1, 2024 to March 31, 2025 (Income)/ Expenses/ Other transactions)	Balance as at March 31, 2025 (Payable)/ Receivable
6	Syngene International Limited	Fellow subsidiary	Expenses incurred by related party on behalf of the Company	18	-	28	-
			Purchase of products	4	-	25	-
			Expenses incurred on behalf of the related party	(7)		(88)	
			Power and utility expense	70	-	86	-
			Payment for leases	336	-	320	-
			Sale of products	(18)			
			Trade payables	-	(25)	-	(62)
7	Bicara Therapeutics Inc.	Fellow associate	Research fees	(3)	-	(7)	-
			Cross charges towards facility and other expenses	(22)	-	49	-
			Trade receivables	-	61	-	48
8	Biocon Pharma Limited	Fellow subsidiary	Research fees	(71)	-	(175)	-
			Cross charges towards facility and other expenses	(457)	-	(413)	-
			Expenses incurred on behalf of the related party	-	-	(77)	-
			Expenses incurred by related party on behalf of the Company	-		12	
			Trade receivables	-	173	-	857
9	Biocon Biologics Inc, USA	Step-down subsidiary	Expenses incurred on behalf of the related party [refer note (g) below]	-	-	-	-
			Trade receivables	-	(32)	-	(31)
10	Biocon Biologics Canada Inc	Step-down subsidiary	Trade receivables	-	3	-	3
11	Biocon Biologics Philippines Inc.	Step-down subsidiary	Expenses incurred by related party on behalf of the Company [refer note (g) below]	-	-	(1)	-
			Trade receivables [refer note (g) below]	-	-	-	1
12	Biocon Biologics Global PLC	Step-down subsidiary	Expenses incurred on behalf of the related party	-	-	(139)	
			Charges for guarantee income	(45)	-	(33)	
			Trade receivables	-	-	-	172
			Guarantee released / (given)	-	-	-	(68,343)

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

Sl. No.	Name of the related party	Relationship	Description of transaction	April 1, 2025 to March 31, 2026 (Income)/ Expenses/ Other transactions)	Balance as at March 31, 2026 (Payable)/ Receivable	April 1, 2024 to March 31, 2025 (Income)/ Expenses/ Other transactions)	Balance as at March 31, 2025 (Payable)/ Receivable
13	Biocon Foundation	Fellow subsidiary	Contribution towards CSR expense	91	-	83	-
14	Biocon Academy	Fellow subsidiary	Expenses incurred on behalf of the related party	-	-	(16)	-
			Research fees	(14)			
			Contribution towards CSR expense	60	-	54	-
			Trade receivables	-	14	-	13
15	Biocon Biosphere Limited	Fellow subsidiary	Expenses incurred on behalf of the related party	(2)	-	(14)	-
			Sale of products	(35)			
			Trade receivables	-	51	-	14
16	Jeeves	Enterprise in which relative to a director of	Miscellaneous expenses		-	33	-
			Trade payables [refer note (g) below]	-	-	-	-
17	Narayana Hrudayalaya Limited	Enterprise in which a director of the Company is a member of board of directors	Sale of products [refer note (g) below]	-	-	-	-
			Trade receivables	-	1	-	1
18	Viatris Group (till January 21 2026)	Enterprise which has significant influence on the Company	Contingent consideration payable [refer note 18(a)]	-	-	-	(8,970)
19	Refer note (c) below	Key management personnel	Salary and perquisites [refer note (d) & (e) below]	675	-	232	(9)
			Sitting fees and remuneration	48	-	58	-

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

(a) The related party disclosed above are as per Ind AS 24 on "Related Party Disclosures" and Companies Act, 2013.

(b) All transactions with these related parties are priced on an arm's length basis and none of the balances are secured.

(c) Key managerial personal includes

(i)	Kiran Mazumdar Shaw	Executive Chairperson (resignation effective from March 31, 2026)
(ii)	Arun Chandavarkar	Non-Independent Non-Executive Director
(iii)	Shreehas P Tambe	Managing Director & Chief Executive Officer
(iv)	Kedar Upadhye	Chief Financial Officer
(v)	Akhilesh Nand	Company Secretary
(vi)	Deepika Srivastava	Company Secretary (resignation effective from July 31, 2024)
(vii)	Peter Piot	Independent director
(viii)	Bobby Kanubhai Parikh	Independent director
(ix)	Nivruti Rai	Independent director
(x)	Daniel M Bradbury	Independent director
(xi)	Russell Walls	Independent director (resignation effective from June 7, 2024)
(xii)	Thomas Jason Roberts	Non-Independent Non-Executive Director
(xiii)	Rajiv Malik	Non-Independent Non-Executive Director and Nominee Director of Viatris Inc (resignation effective from January 21, 2026)
(xiv)	Nicholas Robert Haggar	Non-Executive Independent Director (resignation effective from January 28, 2025)

(d) The remuneration to key management personnel doesn't include the provisions made for gratuity and compensated absences, as they are obtained on an actuarial basis for the Company as a whole.

(e) Share based compensation expense allocable to key management personnel is Rs 440 (March 31, 2025: Rs 203), which is not included in the remuneration disclosed above.

(f) Fellow subsidiary companies and subsidiaries with whom the Company did not have any transactions:

	Name	Relation
(i)	Biocon Biologics FZ LLC	Step-down subsidiary
(ii)	Syngene USA Inc	Wholly-owned subsidiary of Syngene International Limited
(iii)	Biocon SA	Wholly-owned subsidiary of Biocon Limited
(iv)	Biocon Pharma Malta Limited	Wholly-owned subsidiary of Biocon Pharma Limited
(v)	Syngene Manufacturing Solutions Limited	Wholly-owned subsidiary of Syngene International Limited
(vi)	NeoBiocon FZ-LLC	Associate of Biocon Limited
(vii)	Biocon Biologics Do Brasil Ltda	Step-down subsidiary
(viii)	Biocon Biologics Healthcare Malaysia Sdn Bhd	Step-down subsidiary
(ix)	Biocon Biologics Finland OY	Step-down subsidiary
(x)	Biocon Biologics Spain S.L.	Step-down subsidiary
(xi)	Biocon Biologics South Africa (PTY) Ltd	Step-down subsidiary
(xii)	Biocon Biologics Italy S.R.L.	Step-down subsidiary
(xiii)	Biocon Biologics (Thailand) Co., Ltd.	Step-down subsidiary
(xiv)	Biocon Biologics Philippines Inc.	Step-down subsidiary
(xv)	Biocon Pharma UK Limited,	Wholly-owned subsidiary of Biocon Pharma Limited
(xvi)	Biocon Pharma Ireland Limited	Wholly-owned subsidiary of Biocon Pharma Limited
(xvii)	Biocon Pharma Inc	Wholly-owned subsidiary of Biocon Pharma Limited
(xviii)	Biocon Pharma Malta Limited	Wholly-owned subsidiary of Biocon Pharma Limited
(ixx)	Biocon FZ LLC	Wholly-owned subsidiary of Biocon Limited
(xx)	Biocon Generics Inc.	Wholly-owned subsidiary of Biocon Limited
(xxi)	Syngene Scientific Solutions Limited	Wholly-owned subsidiary of Syngene International Limited
(xxii)	Biocon Biologics Germany GmbH	Step-down subsidiary
(xxiii)	Biocon Biologics Belgium BV	Step-down subsidiary
(xxiv)	Biocon Biologics France S.A.S	Step-down subsidiary
(xxv)	Biocon Biologics Switzerland AG	Step-down subsidiary
(xxvi)	Biocon Biologics Greece Single Member P.C.	Step-down subsidiary
(xxvii)	Biocon Biologics Morocco S.A.R.L.A.U	Step-down subsidiary
(xxviii)	Biocon Biologics Croatia LLC	Step-down subsidiary

(g) Amounts are not presented since the amounts are rounded off to Rupees million.

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

29. Tax expense

		March 31, 2026	March 31, 2025
(a)	**Amount recognised in Statement of profit and loss**		
	Current tax	624	2,041
	Deferred tax charge/(credit) related to:		
	MAT credit Utilisation/(entitlement)	(495)	304
	Origination and reversal of temporary differences	930	1,027
	Tax expense for the year	1,059	3,372
(b)	**Reconciliation of effective tax rate**		
	(Loss)/Profit before tax	(5,902)	11,681
	Tax at statutory income tax rate 34.944%(March 31, 2025 - 34.944%)	(2,062)	4,082
	Tax effects of amounts which are not deductible/(taxable) in calculating taxable income:		
	Exempt income, other deductions and difference in applicable tax rates	-	(1)
	Non-deductible expense	3,113	475
	Tax for earlier years	72	(8)
	Others [refer note (i) below]	(64)	(1,176)
	Income tax expense	1,059	3,372

i) Amounts for the year ended March 31, 2025 includes tax impact on sale of business discussed in note 20 (a).

(c) Recognised deferred tax assets and liabilities

The following is the movement of deferred tax assets/liabilities presented in the balance sheet

For the year ended March 31, 2026	Opening balance	Recognised in profit or loss	Recognised in OCI	Recognised in equity	Closing balance
Deferred tax liabilities					
Property, plant and equipment and intangible assets	2,174	370	-	-	2,544
Derivative assets	21	-	(21)	-	-
Gross deferred tax liabilities	2,195	370	(21)	-	2,544
Deferred tax assets					
Employee benefit obligations	254	113	26	-	393
Allowance for doubtful debts	25	5	-	-	30
MAT credit entitlement *	1,327	428	-	-	1,755
Derivative liabilities	23	(2)	44	-	65
Deferred revenue	42	(4)	-	-	38
Lease liabilities	84	(14)	-	-	70
Expenses allowed on payment basis	162	(65)	-	-	97
Carried forward losses	835	(587)	-	-	248
Others	104	(8)	-	-	96
Gross deferred tax assets	2,856	(134)	70	-	2,792
Deferred tax assets (net)	661	(504)	91	-	248

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

For the year ended March 31, 2025	Opening balance	Recognised in profit or loss	Recognised in OCI	Recognised in equity	Closing balance
Deferred tax liabilities					
Property, plant and equipment and intangible assets	1,623	551	-	-	2,174
Derivative assets	104	-	(83)	-	21
Gross deferred tax liabilities	1,727	551	(83)	-	2,195
Deferred tax assets					
Employee benefit obligations	232	7	15	-	254
Allowance for doubtful debts	9	16	-	-	25
MAT credit entitlement	1,631	(304)	-	-	1,327
Derivative liabilities	1	-	22	-	23
Deferred revenue	63	(21)	-	-	42
Lease liabilities	89	(5)	-	-	84
Expenses allowed on payment basis	84	78	-	-	162
Carried forward losses	1,424	(589)	-	-	835
Others	66	38	-	-	104
Gross deferred tax assets	3,598	(780)	37	-	2,855
Deferred tax assets (net)	1,872	(1,331)	120	-	660

* Includes the impact of true up of previous year amounting to Rs. 68 million.

The detailed transfer pricing regulations ('regulations') for computing the income from "domestic transactions" with specified parties and international transactions between 'associated enterprises' on an 'arm's length' basis is applicable to the Company. These regulations, inter alia, also require the maintenance of prescribed documents and information including furnishing a report from an Accountant which is to be filed with the Income tax authorities. The Company has undertaken necessary steps to comply with the transfer pricing regulations. The Management is of the opinion that the transactions with associated enterprises and domestic transactions are at arm's length, and hence the aforesaid legislation will not have any material impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

30. Employee benefit plans

(i) The Company has a defined benefit gratuity plan as per Code on Social Security, 2020 and Payment of Gratuity Act, 1972. Under this legislation, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement/termination age and does not have any maximum monetary limit for payments. The gratuity plan is unfunded.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Particulars	Net defined benefit obligation	
	March 31, 2026	March 31, 2025
Balance as at beginning of the year	479	454
Current service cost	67	54
Interest expense	38	33
Past Service Cost	255	-
Amount recognised in Statement of profit and loss	360	87
Remeasurements:		
Actuarial (gain)/loss arising from:		
Financial assumptions	(16)	15
Experience adjustment	90	29
Amount recognised in other comprehensive income	74	44
Liabilities transfer out	-	(42)
Benefits paid	(31)	(64)
Balance as at end of the year	882	479

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

Particulars	Net defined benefit obligation	
	March 31, 2026	March 31, 2025
Non-current	746	409
Current	136	70
	882	479

(a) The assumptions used for gratuity valuation are as below:

	March 31, 2026	March 31, 2025
Discount rate	6.77%	6.55%
Expected return on plan assets	NA	NA
Salary increase	9.0%	9.0%
Attrition rate	14% - 30%	14% - 30%
Retirement age - Years	58	58

Assumptions regarding future mortality experience are set in accordance with published statistics and mortality tables.

The weighted average duration of the defined benefit obligation was 6 years (March 31, 2025: 6 years).

The defined benefit plan exposes the Company to actuarial risks, such as longevity and interest rate risk.

(b) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions are as below:

Particulars	March 31, 2026		March 31, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% change)	(41)	45	(23)	26
Salary increase (1% change)	44	(40)	25	(23)
Attrition rate (1% change)	(8)	8	(5)	5

Sensitivity of significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of defined benefit obligation by one percentage, keeping all other actuarial assumptions constant. Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumption shown.

Particulars	March 31, 2026	March 31, 2025
1st Following year	136	70
2nd Following year	98	55
3rd Following year	105	51
4th Following year	102	54
5th Following year	92	52
Years 6 and above	781	435

(ii) The Company provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service years. During the year ended March 31, 2026, the Company has incurred an expense on compensated absences amounting to Rs 110 (March 31, 2025: Rs 114). The Company determines the expense for compensated absences basis the actuarial valuation of the present value of the obligation, using the Projected Unit Credit Method.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

31. Financial instruments: Fair value and risk managements

A. Accounting classification and fair values

March 31, 2026	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments	509	-	-	509	509	-	-	509
Trade receivables	-	-	21,201	21,201	-	-	-	-
Cash and cash equivalents	-	-	955	955	-	-	-	-
Other bank balance	-	-	1,523	1,523	-	-	-	-
Derivative assets	-	2	-	2	-	2	-	2
Other financial assets	-	-	455	455	-	-	-	-
	509	2	24,134	24,645	509	2	-	511
Financial liabilities								
Borrowings	8,972	-	34,830	43,802	-	-	8,972 refer note (a)	8,972
Lease liabilities	-	-	950	950	-	-	-	-
Trade payables	-	-	8,257	8,257	-	-	-	-
Derivative liability	545	102	-	647	-	647	Nil refer note (b)	647
Other financial liabilities	-	-	1,495	1,495	-	-	-	-
	9,517	102	45,532	55,151	-	647	8,972	9,619

March 31, 2025	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments	1,103	-	-	182,965	1,103	-	-	1,103
Trade receivables	-	-	21,549	21,549	-	-	-	-
Cash and cash equivalents	-	-	994	994	-	-	-	-
Other bank balance	-	-	4,593	4,593	-	-	-	-
Derivative assets	-	56	-	56	-	56	-	56
Other financial assets	-	-	81	81	-	-	-	-
	1,103	56	209,079	210,238	1,103	56	-	1,159
Financial liabilities								
Borrowings	8,650	-	49,591	58,241	-	-	8,650 refer note (a)	8,650
Lease liabilities	-	-	1,242	1,242	-	-	-	-
Trade payables	-	-	5,959	5,959	-	-	-	-
Derivative liability	956	58	-	1,014	-	58	956 refer note (b)	1,014
Other financial liabilities	8,970	-	1,656	10,626	-	-	8,970	8,970
	18,576	58	58,448	77,082	-	58	18,576	18,634

(a) Non Convertible Redeemable Preference Shares of Rs. 2,054 (March 31, 2025 Rs. 2,054) are convertible / redeemable, at its face value, any time during the tenure of the instrument at the option of the holder. Owing to this feature, the instrument has been recorded at its fair value which is equivalent to the face value.

Of the total outstanding BL OCD, to the extent of Rs. 6,918 (March 31, 2025 Rs. 6,596) have variable coupon linked to the equity share price of the Company. Such BL OCD's are valued using valuation techniques in consultation with market expert. Refer note 13(c).

(b) CCD is recorded at fair value [refer note 13(d)]. The fair value of derivative liability as at March 31, 2026 amounts to Rs. Nil (March 31, 2025 Rs. 956). Derivatives are valued using valuation techniques in consultation with market expert.

The fair value of trade receivables, trade payables, lease liabilities, cash and cash equivalents, other bank balance and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short – term nature.

B. Measurement of fair values

Derivative financial instruments are value based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

Sensitivity analysis

For the fair values of forward contracts and options contracts of foreign currencies and interest rate swaps, reasonably possible changes at the reporting date to one of the significant observable inputs, holding other inputs constant, would have the following effects.

	March 31, 2026		March 31, 2025	
	Impact on other equity		Impact on other equity	
Significant observable inputs	Increase	Decrease	Increase	Decrease
Spot rate of the foreign currency (1% movement)	(103)	103	(127)	88
Interest rates (100 bps movement)	-	-	-	-

C. Significant Unobservable inputs used in Level 3 Fair Values

As at March 31, 2026	Valuation Techniques	Significant unobservable inputs	Sensitivity of input to fair value measuremen
a) Forward exchange contracts	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in respective currencies.	Not Applicable	Not Applicable
b) Non-Convertible Redeemable Preference Shares ("NCRPS") [refer note 12(a)(ii)(b)]	Equivalent to Face value	Not Applicable	Not Applicable
c) Optionally Convertible Debentures ("BL OCD")	The fair value is equal to the present value of expected future payoffs	Expected share price of the Company on date of maturity	The estimated fair value would increase (decrease) if the BBL share price is higher (lower).

As at March 31, 2025	Valuation Techniques	Significant unobservable inputs	Sensitivity of input to fair value measurement
a) Forward exchange contracts	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in respective currencies.	Not Applicable	Not Applicable
b) Contingent consideration payable (Derivative) (refer note 18(a))	Binomial Option Pricing Model - using risk free discount rate and growth rate. The fair value is equal to the present value of the probability - weighted future payoffs	a) Discount rate	A 1% increase in discount rate would have led to approximately Rs. 223 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 269 loss in Statement of Profit and loss.
c) Non-Convertible Redeemable Preference Shares ("NCRPS") [refer note 12(a)(ii)(b)]	Equivalent to Face value	Not Applicable	

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

As at March 31, 2025	Valuation Techniques	Significant unobservable inputs	Sensitivity of input to fair value measurement
d) Optionally Convertible Debentures ("BL OCD")	Binomial Option Pricing Model - using risk premium discount rate and growth rate. The fair value is equal to the present value of the probability - weighted future payoffs	a) Discount rate	A 1% increase in discount rate would have led to approximately Rs. 70 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 70 loss in Statement of Profit and loss.
		b) Volatility rate	A 5% increase in volatility rate would have led to approximately 39 gain in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 77 loss in Statement of Profit and loss.
e) Derivative liability towards Compulsory Convertible Debentures ("CCD")	Binomial Option Pricing Model - using risk free discount rate and growth rate. The fair value is equal to the present value of the probability - weighted future payoffs	a) Discount rate	A 1% increase in discount rate would have led to approximately Rs. 39 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 40 loss in Statement of Profit and loss.
		b) Volatality rate	A 5% increase in volatility rate would have led to approximately Rs. 77 loss in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 81 gain in Statement of Profit and loss.

D. Reconciliation of Level 3 fair values

	Contingent consideration Payable	NCRPS	BL OCD	Derivative Liablity on CCD
At March 31, 2024	7,426	2,054	5,701	1,162
- Net change in fair value loss (unrealised) recognised in Finance cost [refer Note 13(c) & 13(e)]	-	-	895	-
- Net change in fair value loss (unrealised)	1,544	-	-	(206)
At March 31, 2025	8,970	2,054	6,596	956
- Net change in fair value loss (unrealised)	(533)	-	-	(241)
- Fair value changes upon settlement [refer note 38(b)]	9,118	-	-	-
- Derecognised on account of conversion of CCPS to Equity shares (refer note 12(a)(ii)(c) and 18(a))	(17,555)	-	-	-
- Net change in fair value loss (unrealised) recognised in Finance cost [refer note 13(e) & 13(g)]	-	-	322	-
- Net gain on account of de-recognition, recorded in equity	-	-	-	(715)
At March 31, 2026	-	2,054	6,918	-

E. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk

- Liquidity risk

- Market risk

(i) Risk management framework

The Company's risk management is carried out by the treasury department under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments and investment of excess liquidity (refer note 13).

(ii) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on customers requiring credit over a certain amount. As at the end of the reporting period, there were no significant concentrations of credit risk and the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the balance sheet. The Company uses ageing analysis to monitor the credit quality of its receivables.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables, unbilled revenue and other receivables. The exposure to credit risk as at reporting date amounts to Rs 85 (March 31, 2025: Rs 72).

Allowance for impairment	March 31, 2026	March 31, 2025
Opening Balance	72	27
Impairment loss recognised / (reversed)	13	45
Closing balance	85	72

Other than trade receivables the Company has no significant class of financial assets that is past due but not impaired.

Refer to note 10 for details of ageing of trade receivables.

Trade receivables including unbilled revenue from Two (March 31, 2025: Three) customers (which are wholly owned subsidiaries of the Company) are Rs 13,802 (March 31, 2025 : Rs 16,174) which is individually more than 10 percent of the Company's trade receivables including unbilled revenue.

Credit risk on cash and cash equivalents is limited as the Company generally transacts with Banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units.

(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 have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation (refer note 13).

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of March 31, 2026:

Particulars	Less than 1 year	1 - 2 years	2-5 years	>5 years	Total
Borrowings	34,329	9,473	-	-	43,802
Lease liabilities	379	406	327	22	1,134
Trade payables	8,257	-	-	-	8,257
Derivative liabilities	547	100	-	-	647
Other financial liabilities	1,495	-	-	-	1,495
Total	45,007	9,979	327	22	55,335

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of March 31, 2025:

Particulars	Less than 1 year	1 - 2 years	2-5 years	>5 years	Total
Borrowings	34,019	4,404	19,818	-	58,241
Lease liabilities	410	373	698	52	1,533
Trade payables	5,959	-	-	-	5,959
Derivative liabilities	40	18	956	-	1,014
Other financial liabilities	1,656	8,970	-	-	10,626
Total	42,084	13,765	21,472	52	77,373

(iv) 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, such as foreign exchange rates, interest rates and equity prices.

Foreign currency risk

The Company is exposed to foreign exchange risk through operating and borrowing activities in foreign currency. The Company holds derivative instruments such as cash flow hedge contracts, foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates and foreign currency exposure.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

The currency profile of financial assets and financial liabilities as at March 31, 2026 and March 31, 2025 are expressed in Indian rupees millions as below:

March 31, 2026	USD	EUR	Others
Financial assets			
Trade Receivables	16,913	-	-
Cash and cash equivalents	428	-	-
Derivative Assets	2	-	-
Financial liabilities			
Current borrowings	(2,430)	-	-
Derivative liabilities	(647)	-	-
Trade Payables	(2,222)	(94)	(98)
Other financial liabilities	(111)	(23)	(3)
Net assets / (liabilities)	11,933	(117)	(101)

March 31, 2025	USD	EUR	Others
Financial assets			
Trade Receivables	18,323	-	-
Cash and cash equivalents	323	-	-
Derivative Assets	56	-	-
Financial liabilities			
Current borrowings	(22,589)	-	-
Derivative liabilities	(58)	-	-
Trade Payables	(1,162)	(167)	(91)
Other financial liabilities	(9,014)	(28)	(13)
Net assets / (liabilities)	(14,121)	(195)	(104)

Sensitivity analysis

The sensitivity of profit or loss to changes in exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign exchange forward/option contracts designated as cash flow hedges.

Particulars	Impact on profit or (loss)		Impact on other components of equity	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
USD Sensitivity				
INR/USD - Increase by 1%	119	(141)	17	(268)
INR/USD - Decrease by 1%	(119)	141	(17)	229
EUR Sensitivity				
INR/EUR - Increase by 1%	(1)	(2)	(1)	(2)
INR/EUR - Decrease by 1%	1	2	1	2

Derivative financial instruments

The following table gives details in respect of outstanding derivative contracts:

Particulars	March 31, 2026	March 31, 2025
	(in USD Million)	
Foreign exchange forward contracts to sell between 0-2 Years	42	116
European style option contracts with periodical maturity dates between 0-2 Years	7	11
European style range forward contracts with periodical maturity dates between 0-2 Years	111	113

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from non-current/current borrowings with variable rates, which expose the Company to cash flow interest rate risk. During the year ended March 31, 2026 and March 31, 2025 the Company's borrowings at variable rate were denominated in INR and USD.

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting year are as follows:

Particulars	March 31, 2026	March 31, 2025
Variable rate borrowings	39,048	24,436
Fixed rate borrowings	4,754	33,805
Total borrowings	**43,802**	**58,241**

(b) Sensitivity

The Company policy is to maintain a optimum balance between fixed and variable rate borrowings using interest rate swaps to achieve this when necessary. The Company is therefore subject to interest rate risk as defined under Ind AS 107.

A reasonably possible change of 100 basis points in interest rates for variable rate borrowings at the reporting date would have increased (decreased) equity and profit or loss by Rs. 390 (March 31, 2025 : Rs. 244)

32. Capital management

The key objective of the company's capital management is to ensure that it maintains a stable capital structure by monitoring the financial covenants attached to the interest bearing loans and borrowing with the focus on total capital to uphold investor, creditor and customer confidence and to ensure future development of its business. The Company focused on keeping strong total capital base to ensure independence, security as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company(refer note 12, 13 and 16).

To maintain a stable capital structure, during the year ended 31 Mar 2023, the Company has issued equity shares (refer note 12) for a consideration (net of issue expense) of Rs. 65,265.

During the year ended 31 March 2023, the Company had issued NCRPS to the Holding Company which are classified as financial liabilities in these financial statements. However, the Company has considered NCRPS as part of capital for below disclosure.

The Company's goal is to continue to be able to return excess liquidity to shareholders by continuing to distribute annual dividends in future periods.

The future dividends of equity and preference shares will be balanced with efforts to continue to maintain an adequate liquidity status.

The capital structure as of March 31, 2026 and March 31, 2025 was as follows:

Particulars	March 31, 2026	March 31, 2025
Total equity	211,011	182,892
Preference share capital (NCRPS)	2,054	2,054
Total capital attributable to the shareholders of the Company (including NCRPS)	**213,065**	**184,946**
As a percentage of total capital	84%	77%
Non-current borrowings*	7,419	22,168
Current borrowings	34,329	34,019
Total borrowings	**41,748**	**56,187**
As a percentage of total capital	16%	23%
Total capital (Equity capital, preference capital and borrowings)	**254,813**	**241,133**

* includes OCD amounting to Rs. Nil (March 31, 2025 : 16,079) [refer note 13]

* includes BL OCD amounting to Rs. 21,167 (March 31, 2025 : 19,318) [refer note 13]

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

33. Contingent liabilities and commitments

(to the extent not provided for)

	March 31, 2026	March 31, 2025
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debt	1,184	1,232
The above includes		
(i) Direct taxation	1,034	1,094
(ii) Indirect taxation (includes matters pertaining to disputes on VAT and CST)	150	138

The Company is involved in taxation matters that arise from time to time in the ordinary course of business. Judgment is required in assessing the range of possible outcomes for some of these tax matters, which could change substantially over time as each of the matter progresses depending on experience on actual assessment proceedings by tax authorities and other judicial precedents. Based on its internal assessment supported by external legal counsel views, if any, the Company believes that it will be able to sustain its positions if challenged by the authorities and accordingly no additional provision is required for these matters.

Other than the matter disclosed above, the Company is involved in disputes, lawsuits, proceedings etc. including patent and commercial matters that arise from time to time in the ordinary course of business. Management is of the view that above matters will not have any material adverse effect on the Company's financial position and results of operations.

	March 31, 2026	March 31, 2025
(ii) Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	5,244	1,219

	March 31, 2026	March 31, 2025
(iii) Corporate guarantee given to subsidiaries towards borrowings from the bank and other financial commitments	110,774	96,535

34. Earnings / (Loss) per equity share (EPS)/(LPS)

	Year ended March 31, 2026	Year ended March 31, 2025
(Loss)/(Profit attributable to equity shareholders for the year		
For Basic LPS/EPS	(6,961)	8,309
Add: Net loss / (gain) on financial liabilities measured at fair value through profit or loss	-	(206)
For Dilutive LPS/EPS	(6,961)	8,103
Weighted average number of shares		
For computing basic EPS [refer note (a) below]	1,610,970,780	1,562,444,686
Adjustments for calculation of diluted earnings per share [refer note (b)] :		
- Employee stock options	-	8,050,441
- CCD	-	3,035,743
For computing diluted EPS	**1,610,970,780**	**1,573,530,870**
(Loss)/Earnings per equity share		
Basic (in Rs)	(4.32)	5.32
Diluted (in Rs)	(4.32)	5.15

(a) Excludes Treasury shares

(b) Potential ordinary shares are antidilutive when their conversion to ordinary shares would increase earnings per share or decrease loss per share. Accordingly, the calculation of diluted earnings per share does not assume conversion, exercise, or other issue of potential ordinary shares that would have an antidilutive effect on earnings per share.

35. Segmental reporting

The Managing Director is the Chief Operating Decision Maker (CODM) of the Company. The CODM reviews the operations of the Company as Pharmaceutical business, which is considered to be the only reportable segment by the management.

Geographical segment

For details of revenue by geography please refer to note 19.1

For details of significant customer refer note 19.5

36. Employee stock compensation

a) Biocon Biologics Limited Restricted Stock Units Long Term Incentive Plan FY 2022-24 ('RSU Plan 2022')

On July 21, 2021, Board of Directors of the Company approved the Biocon Biologics Limited Restricted Stock Units Long Term Incentive Plan FY 2022-24 ('RSU Plan 2022') for the grant of Restricted stock units to the employees of the Company and its subsidiaries. The Nomination and Remuneration Committee ('Remuneration Committee') administers the plan through a trust established specifically for this purpose, called the Biocon Biologics Employees Welfare Trust.

In August 2021, based on the approval of the Board, the Company granted RSUs to its employees under this Plan. For grants made before August 1, 2021, the options would vest to the employees as 33%, 33% and 34% of the total grant at the end of first, second and third year, respectively from the date of grant. For grants made in August 2022 and October 2022, the vesting would be 50% and 50% of the total grant at the end of first and second year, respectively from the date of grant. For grants made in July 2023, October 2023 and January 2024 the vesting would be 100% of the total grant at the end of first year. Exercise period is 3 years for each grant. These options are exercisable at Rs. 10 per RSU. The RSU Plan provides for certain market and non-market conditions for vesting which are measured through revenue, profit, achievement of key milestones and share price increase.

b) Biocon Biologics Limited Restricted Stock Units Plan 2023 ('RSU Plan 2023')

On February 22, 2023, Board of Directors of the Company approved the Biocon Biologics Limited Restricted Stock Units and Performance Stock Units Long Term Incentive Plan Fy 2023 ('RSU Plan 2023') for the grant of Restricted stock units ('RSU') and Performance stock units to the employees of the Company and its subsidiaries. The Nomination and Remuneration Committee ('Remuneration Committee') administers the plan through a trust established specifically for this purpose, called the Biocon Biologics Employees Welfare Trust.

In March 2023, based on the approval of the Board, the Company granted RSUs to its employees under this Plan. The options under this grant would vest to the employees as 25% in first year after the grant date, 25% on the event of IPO, 25% after the expiry of one year from IPO date and 25% after the expiry of 2 years from the IPO date. The options are exercisable only on the event of an IPO and exercise period shall be one year from the date of last vesting. Further, the Board directors had accelerated the vesting of most of the options during the year. These options are exercisable at Rs. 10 per RSU.

c) Biocon Biologics Limited Restricted Stock Units and Performance Stock Units Long Term Incentive Plan FY 2025-29 ('RSU Plan 2025')

On February 6, 2024, Board of Directors of the Company approved the Biocon Biologics Limited Restricted Stock Units and Performance Stock Units Long Term Incentive Plan FY 2025-29 ('RSU Plan 2025') for the grant of Restricted stock units ('RSU') and Performance stock units to the employees of the Company and its subsidiaries. The Nomination and Remuneration Committee ('Remuneration Committee') administers the plan through a trust established specifically for this purpose, called the Biocon Biologics Employees Welfare Trust.

During the year ended March 31, 2025 , based on the approval of the Board, the Company granted RSUs to its employees under this Plan on various dates. Options granted under the Plan are subject to one of the following vesting criteria:

i) 100% of the total grant at the end of first year from the date of grant.

ii) 33%, 33% and 34% of the total grant at the end of first, second and third year, respectively from the date of grant.

iii) 100% of the total grant at the end of third year from the date of grant.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

RSU Plan 2025 also provides for certain market and non-market conditions for vesting which are measured through revenue, profit, achievement of key milestones and share price increase. Exercise period is 3 years from the date of vesting for each of the grant and the exercise price is Rs. 10 per RSU/PSU.

Particulars	March 31, 2026		March 31, 2025	
	No of Options	Weighted Average Exercise Price	No of Options	Weighted Average Exercise Price
RSU Plan 2022				
Outstanding at the beginning of the year	5,956,010	10	6,816,996	10
Granted during the year	-	10	-	10
Lapses/forfeited during the year	10,726	10	359,607	10
Exercised/Settled during the year*	5,945,284	10	501,379	10
Expired during the year			-	-
Outstanding at the end of the year	-	10	5,956,010	10
Exercisable at the end of the year	-		5,956,011	10
Weighted average remaining contractual life (in years)	-		2.6	
Weighted average fair value of options granted	-		240.4	
RSU Plan 2023				
Outstanding at the beginning of the year	1,232,434	10	1,582,620	10
Granted during the year	708,704	10	-	10
Lapses/forfeited during the year	171,475	-	350,186	-
Exercised/Settled during the year*	1,112,983	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	656,680	10	1,232,434	10
Exercisable at the end of the year	-	-	338,530	10
Weighted average remaining contractual life (in years)	0.3		4.0	
Weighted average fair value of options granted	301.3		241.4	
RSU Plan 2024-29				
Outstanding at the beginning of the year	3,867,145	-	-	-
Granted during the year	3,156,168	10	3,882,367	10
Lapses/forfeited during the year	278,021	-	15,222	-
Exercised/Settled during the year*	3,657,889	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	3,087,403	10	3,867,145	10
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years)	4.70		4.70	
Weighted average fair value of options granted	301.78		301.78	

* Includes restricted stock options settled in cash and options exercised where a portion was net settled towards tax withholding. During the current year, the Company has offered cash settlement to RSU holders whose RSUs have been fully vested on a discretionary basis. The consideration paid to employees for exercising the cash settlement alternative has been accounted for as a deduction from equity, except to the extent that the payment exceeds the fair value of the underlying equity shares, which has been recognised in the statement of profit and loss.

Further, during the year, certain employees of the Company exercised their vested stock options. Pursuant to such exercises, equity shares of the Company held by the Holding Company (through its nominees) were transferred directly to the employees towards settlement of the options.

Particulars	March 31, 2026 RSU Plan 2025	March 31, 2025 RSU Plan 2025
Weighted Average Exercise Price	10	10
Expected volatility *	30.4% - 33.8%	30.4% - 33.8%
Life of the options granted (vesting and exercise period) in years	5	5
Average risk-free interest rate	6.5% - 6.7%	6.5% - 6.7%
Expected dividend rate	0%	0%

* 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 also not necessarily be the actual outcome.

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

The Company has recorded an amount of Rs 1,307 (March 31, 2025: Rs. 535) as cost of the above RSU Plan in the statement of profit and loss.

b) The employees of the Company are eligible for shares under the Biocon Employee Stock Option Plan ('ESOP Plan 2000'), Biocon - Restricted Stock Units of Syngene International Limited ('RSU Plan 2015') and Biocon - Restricted Stock Units of Biocon Biologics Limited (formerly "Biocon Biologics India Limited") ('RSU Plan 2019') (collectively "stock option plans") of Biocon Limited.

Total number of options outstanding	March 31, 2026	March 31, 20265
ESOP Plan 2000	85,660	442,870
RSU Plan 2019 #	2,000,675	2,000,676

adjusted for the impact of bonus issue

The Company has recorded an amount of Rs 32 (March 31, 2025: Rs 54) as cost of the above stock option plans based on amounts cross charged by its Holding company.

37. Exceptional item

a) On November 21, 2025, the Government of India notified the four Labour Codes consolidating 29 existing labour laws. The Company assessed and disclosed the incremental impact of these changes on gratuity and compensated absences, particularly relating to the definition of "wages" considering the revised remuneration structure. The Company has presented such incremental impact consisting of gratuity of Rs. 255 primarily arising due to change in "wage" definition for the year ended March 31, 2026. The associated tax impact of Rs. 89 is included in the tax expense for the year ended March 31, 2026.

b) In earlier years, the Company had issued Compulsorily Convertible Preference Shares (CCPS) to Mylan Inc as consideration towards acquiring the biosimilar business from Mylan Inc. Each CCPS shall be convertible into equity shares at any time at the option of the holder at a conversion rate of 1:1. The Company had an obligation to issue further equity shares to Mylan Inc, subject to maximum of 61,562,420 equity shares, such that the fair value of the equity holding post conversion is atleast USD 1,000 million. The obligation to issue additional shares was previously recorded as "contingent consideration" The CCPS on initial recognition has been bifurcated into equity component (fixed to fixed conversion) and contingent consideration (derivative liability). The derivative liability was recorded at fair value having regard to timing and probability of issuance of additional shares and the fair value changes were recorded within the statement of profit and loss.

On December 6, 2025, Biocon Limited entered into Share Swap and Share Purchase Agreement (SSPA) with Mylan Inc. Pursuant to the SSPA, Mylan Inc converted 231,163,944 CCPS issued by the company into equity shares. Upon conversion, the Company issued additional 61,562,420 equity shares (in accordance with Shareholder's agreement), having an aggregate fair value of Rs. 17,555. At the date of conversion of CCPS to Equity, the carrying value of the related derivative liability, determined with reference to the timing and probability of the additional share issuance amounted to Rs. 8,437. This fair value changes resulted in a loss of Rs. 9,118 which is recorded within "Exceptional Items" in the statement of profit and loss.

c) The Company incurred cost towards advisory and legal consultancy services with respect to aforesaid arrangement with Mylan Inc. for an aggregate value of Rs. 43 which is recorded within "Exceptional Items" in the statement of profit and loss. The associated tax impact of Rs. 5 is included in the tax expense for the year ended March 31, 2026.

d) During the year ended March 31, 2026, the Company recorded an exceptional provision for inventories in respect of certain molecules in line with its assessment to liquidate these inventories. Based on the assessment, the Company has recorded a provision of Rs 762 for these inventories and being high value and non-recurring in nature, this has been grouped within exceptional item. The associated tax impact of Rs. 107 is included in the tax expense for the year ended March 31, 2026.

e) The Company invested Rs. 25 in the equity shares issued by Indian Foundation for Quality Management (IFQM) a Company incorporated under section 8 of the Companies Act, 2013. The Company has fair valued such investment and has recorded fair value charge of Rs. 25 under "Exceptional Items" in the standalone statement of profit and loss.

f) On December 6, 2025, the Company and Biocon Limited announced a strategic corporate action to fully integrate the Company into Biocon Limited as a wholly owned subsidiary. Pursuant to this, the Company has accounted for expenses towards termination benefit payments for certain employees, consultant fees for integration of businesses, employee stock option cost towards acceleration of vesting of ESOPs/RSUs aggregating to Rs 588 in the standalone financial statements. Considering the nature, significance, and non-recurring nature of these benefits, the related expenses have been disclosed as exceptional items. The related tax impact of Rs. 79 has been included in the tax expense.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

38. Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

Particulars	In cash	Yet to be paid in cash	Total
March 31, 2026			
(i) Construction/acquisition of any asset *	64	-	64
(ii) On purposes other than (i) above	87	5	92
Total	151	5	156
March 31, 2025			
(i) Construction/acquisition of any asset *	56	-	56
(ii) On purposes other than (i) above	79	3	81
Total	135	3	137

* not owned by the Company

Particulars	March 31, 2026	March 31, 2025
Amount required to be spent by the company during the year	243	1
Amount of expenditure incurred	156	137
Excess amount spent during the year	(87)	136
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-

Nature of CSR activities conducted by company

1. Promoting healthcare
2. Environmental sustainability
3. Mass transit system
4. Promoting education

Refer note 28 for details of related party transactions

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

39. Financial ratios:

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% Variance	Notes
a. Current ratio	Current assets	Current liabilities	1.05	1.05	0%	
b. Debt service coverage ratio	Earnings for debt service = Net profit before tax + Depreciation and amortisation + Finance costs + Non cash exceptional items	Debt service = Current lease liabilities + Current borrowings	0.29	0.52	(44%)	1
c. Return on equity ratio	Profit for the year	Average total equity including NCRPS	(3.50%)	4.60%	(176%)	1
d. Net profit ratio	Profit for the year	Revenue from operations	(20.00%)	28.13%	(171%)	1
e. Return on capital employed	Earnings before interest and taxes = Profit before tax + Finance costs	Capital Employed = Tangible Net Worth (Total equity - Intangibles assets) + Total Borrowings	(0.96%)	6.66%	(114%)	1
f. Inventory turnover ratio	Cost of goods sold = Cost of raw materials and packing materials consumed + Purchases of traded goods + Changes in inventories	Average inventory	0.53	0.61	(14%)	
g. Trade receivables turnover ratio	Net credit sales = Revenue from operations	Average Trade Receivable	1.63	1.56	4%	
h. Return on investment	Realised and Unrealised gain	Average investment during the year	12.28%	22.67%	(46%)	2
i. Trade payables turnover ratio	Net credit purchases = Purchases of traded goods + Purchases of raw materials and packing materials + other expenses	Average trade payables	4.16	3.63	15%	
j. Debt-Equity ratio	Total borrowings * excluding NCRPS	Total equity including NCRPS	0.20	0.30	(36%)	3
k. Net capital turnover ratio	Revenue from operations	Average Working capital (Working capital = Current assets – Current liabilities excluding NCRPS)	(8.28)	(8.38)	(1%)	

* includes OCD amounting to Rs. Nil (March 31, 2025 : 16,079) [refer note 13]

Notes:

1) Debt service coverage ratio, Return on equity, Net profit ratio and Return on capital employed has decreased due to loss during the year primarily on account of exceptional expenses during the year.

2) Return on investments has decreased due to disposal of mutual funds during the year.

3) Debt Equity ratio has decreased due to conversion of OCD's during the year. Refer note 13.

40 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

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.

Notes to the Standalone financial statements for the year ended March 31, 2026

(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

41. Other statutory information

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

(ii) The Group does not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iv) The Company is not declared as wilful defaulter by any bank or financial institution or government or any government authority.

(v) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

42. Events after reporting date

The Holding company has excercised it's right to convert OCD and CCD (refer note 13) and these intruments are converted into equity shares on May 7, 2026.

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Sanjay Sharma
Partner
Membership No.: 063980

Place : Bengaluru
Date : May 07, 2026

for and on **behalf of the Board of Directors of Biocon Biologics Limited**

Shreehas P Tambe
CEO and Managing Director
DIN: 09796480

Arun Chandavarkar
Director
DIN: 01596180

Kedar Upadhye
Chief Financial Officer

Akhilesh K Nand
Company Secretary
Membership No.: A13669

Place : Bengaluru
Date : May 07, 2026