BIOCON LIMITED

Registered and Corporate Office: 20th KM, Hosur Road, Electronic City, Bangalore 560 100, Karnataka, India
Tel: +91 80 2808 2808
Contact Person: Mukesh Kamath, Nodal Officer; **E-mail**: co.secretary@biocon.com
Website: www.biocon.com; **Corporate Identity Number**: L24234KA1978PLC003417

Our Company was incorporated as 'Biocon India Private Limited' under the Companies Act, 1956 at Bangalore, pursuant to a certificate of incorporation dated November 29, 1978**,** issued by the Registrar of Companies, Karnataka at Bangalore ("**RoC**"). It was subsequently deemed to be a public limited company with effect from July 1, 1995, in accordance with Section 43A(2) of the Companies Act, 1956. Thereafter, our Company was converted into a private limited company under Section 43A(2A) of the Companies Act, 1956, with effect from December 21, 2000. Our Company was again converted into a public limited company, and its name was changed to 'Biocon India Limited', pursuant to which a fresh certificate of incorporation was issued by the RoC on June 18, 2001. Subsequently, the name of our Company was changed to 'Biocon Limited', and a fresh certificate of incorporation reflecting the change was issued by the RoC on November 19, 2003. For further details, see "*General Information*" on page 503.

Issue of up to [●] equity shares of face value of ₹ 5 each of our Company (the "**Equity Shares**") at a price of ₹ [●] per Equity Share (the "**Issue Price**"), including a premium of ₹ [●] per Equity Share, aggregating to approximately ₹ [●] million (the "**Issue**"). For further details, see "*Summary of the Issue*" on page 42.

THIS ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI ICDR REGULATIONS") AND SECTION 42 OF THE COMPANIES ACT, 2013 (THE "COMPANIES ACT, 2013"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014 (THE "PAS RULES") AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER, EACH AS AMENDED.

The Equity Shares of our Company are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", and together with BSE, the "**Stock Exchanges**"). The closing price of the Equity Shares on BSE and NSE as on June 13, 2025, was ₹ 355.45 and ₹ 355.40 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**SEBI Listing Regulations**") for listing of the Equity Shares to be issued pursuant to the Issue, from BSE and NSE, each dated June 16, 2025. Our Company shall make applications to the Stock Exchanges for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE AND DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBS IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013 AND THE RULES PRESCRIBED THEREUNDER, AND CHAPTER VI OF THE SEBI ICDR REGULATIONS. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PROSPECTIVE INVESTOR OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBS, AS DEFINED IN THE SEBI ICDR REGULATIONS. THIS PRELIMINARY PLACEMENT DOCUMENT SHALL BE CIRCULATED ONLY TO SUCH ELIGIBLE QIBS WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU MAY NOT AND ARE NOT AUTHORISED TO: (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE COMPANIES ACT, 2013, AS AMENDED, SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "*RISK FACTORS*" ON PAGE 51 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES ISSUED PURSUANT TO THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT. PROSPECTIVE INVESTORS SHALL CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND THE COMPANY. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PRELIMINARY PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORIZED FINANCIAL ADVISOR AND / OR LEGAL ADVISOR.

A copy of this Preliminary Placement Document, which includes disclosures prescribed under Form PAS-4 (as defined hereinafter), has been delivered to the Stock Exchanges. A copy of the Placement Document (which shall also include disclosures prescribed under Form PAS-4) shall be delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 (as defined hereinafter) and the PAS Rules. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Stock Exchanges, the RoC or any other regulatory or listing authority, and is intended only for use by Eligible QIBs (as defined hereinafter). This Preliminary Placement Document has not been and shall not be registered as a prospectus with the RoC, shall not be circulated or distributed to the public in India or any other jurisdiction, and the Issue shall not constitute a public offer in India or any other jurisdiction. This Preliminary Placement Document and the Placement Document relate to an issue made to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and no offer is being made to the public or any other class of investors.

Invitations, offers and sales of Equity Shares to be issued pursuant to the Issue shall only be made pursuant to this Preliminary Placement Document, together with the Application Form, the Placement Document and the Confirmation of Allocation Note (each as defined herein). For further details, see "*Issue Procedure*" on page 443. The distribution of this Preliminary Placement Document or the disclosure of its contents without our Company's prior consent to any person other than Eligible QIBs to whom this Preliminary Placement Document is specifically addressed and persons retained by Eligible QIBs to advise them with respect to their purchase of Equity Shares is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold by our Company (a) in the United States only to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the Securities Act) (a "**U.S. QIB**") pursuant to Section 4(a) under the Securities Act, and (b) outside the United States, in offshore transactions, as defined in and in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For further information, see "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 461 and 470, respectively. For the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Preliminary Placement Document as "QIBs".

The information on the website of our Company or Subsidiaries or Associate or Joint Venture or any other websites directly or indirectly linked to our websites or on the websites of the Book Running Lead Managers or of their respective affiliates does not form part of this Preliminary Placement Document and prospective investors should not rely on any such information contained in or available through any such websites for their investment in this Issue.

This Preliminary Placement Document is dated June 16, 2025.

BOOK RUNNING LEAD MANAGERS

Kotak Mahindra Capital Company Limited	**BofA Securities India Limited**	**Goldman Sachs (India) Securities Private Limited**

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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Preliminary Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains all information with respect to our Company and the Equity Shares, which we consider material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to our Company, our Subsidiaries, our Joint Venture and our Associate and the Equity Shares are in all material respects, true, accurate and not misleading, and the opinions and intentions expressed in this Preliminary Placement Document with regard to our Company, our Subsidiaries and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to our Company. There are no other facts in relation to our Company, our Subsidiaries, our Joint Venture and our Associate and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Preliminary Placement Document is provided as of the date of this Preliminary Placement Document and neither our Company nor the Book Running Lead Managers have any obligation to update such information to a later date and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with the Company.

The information contained in this Preliminary Placement Document has been provided by our Company and from other sources identified herein. The Book Running Lead Managers have made reasonable enquiries but have not separately verified all the information contained in this Preliminary Placement Document (financial, legal or otherwise). Accordingly, neither the Book Running Lead Managers, nor any of their shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates makes any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Book Running Lead Managers or any of their shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information supplied in connection with our Company, our Subsidiaries, our Joint Venture and our Associate, and the Issue of the Equity Shares or their distribution. Each person receiving this Preliminary Placement Document acknowledges that such person has not relied on the Book Running Lead Managers or on any of their shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Company, our Subsidiaries , our Joint Venture and our Associate and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company, or by or on behalf of the Book Running Lead Managers. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date. Purchasers of the Equity Shares offered in this Issue will be deemed to make the representations, warranties, acknowledgments and agreements set forth in, and the Equity Shares are transferable only in accordance with, the restrictions described in the sections titled "*Representations by Investors*," "*Selling Restrictions*" and "*Transfer Restrictions*" beginning on pages 5, 461, and 470 respectively.

The Equity Shares offered in the Issue have not been approved, disapproved, or recommended by the securities authority or other regulatory authority of any jurisdiction, including SEBI, the United States Securities and Exchange Commission, any other federal or state authorities in the United States or the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary is a criminal offence in certain jurisdictions, including in the United States.

The subscribers and purchasers of the Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in "*Notice to Investors*", "*Representations by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 3, 5, 461 and 470, respectively of this Preliminary Placement Document.

The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares offered in the Issue may be restricted by law in certain jurisdictions. As such, this Preliminary Placement Document does not constitute and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been nor will be taken by our Company or the Book Running Lead Managers which would permit an offering of the Equity Shares being offered in the Issue or the distribution of this Preliminary Placement Document in any jurisdiction, other than in India, where action for that purpose is required. Accordingly, the Equity Shares to be issued

pursuant to the Issue may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any other offering material issued in connection with the Issue may be distributed or published in or from any jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such jurisdiction. In particular, the Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold by our Company (a) in the United States only to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the Securities Act) pursuant to Section 4(a) under the Securities Act, and (b) outside the United States, in offshore transactions, as defined in and in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For further information, see "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 461 and 470, respectively.

The Equity Shares sold in the Issue are transferable only in accordance with the restrictions described in sections "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 461 and 470, respectively.

In making an investment decision, the prospective investors must rely on their own examination of our Company, the Equity Shares and the terms of the Issue, including the merits and risks involved. The prospective investor should not construe the contents of this Preliminary Placement Document as legal, tax, accounting or investment advice. The prospective investors should consult their own counsel and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the Book Running Lead Managers are making any representation to any investor, purchaser, offeree or subscriber to the Equity Shares in relation to this Issue regarding the legality or suitability of an investment in the Equity Shares by such investor, purchaser, offeree or subscriber under applicable legal, investment or similar laws or regulations. The prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial advisor and/or legal advisor.

Each investor, purchaser, offeree or subscriber of the Equity Shares is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and it is eligible to invest in India and in our Company under Indian law, including under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013, read with Rule 14 of the PAS Rules and other provisions of the Companies Act, and that it is not prohibited by SEBI or any other statutory, regulatory or judicial authority in India or any other jurisdiction from buying, selling or dealing in the securities including the Equity Shares or otherwise accessing the capital markets in India. Each subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

Our Company and the Book Running Lead Managers are not liable for any amendment or modification or change to applicable laws or regulations, that may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations and the QIBs shall be solely responsible for compliance with the provisions of the SEBI Takeover Regulations, SEBI Insider Trading Regulations and other applicable laws, rules, regulations, guidelines and circulars.

This Preliminary Placement Document does not purport to contain all the information that any Eligible QIB may require. This Preliminary Placement Document contains summaries of certain terms of documents, which summaries are qualified in their entirety by the terms and conditions of such documents. Further, this Preliminary Placement Document has been prepared for information purposes in relation to this Issue only and upon the express understanding that it will be used for the purposes set forth herein.

The information on the website of our Company i.e., www.biocon.com or Subsidiaries or Associate or Joint Venture or any other websites directly or indirectly linked to our websites or on the websites of the Book Running Lead Managers or of their respective affiliates does not form part of this Preliminary Placement Document and prospective investors should not rely on any such information contained in or available through any such websites for their investment in this Issue.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information relating to investors in certain other jurisdictions, please refer to the sections titled "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 461 and 470, respectively.

REPRESENTATIONS BY INVESTORS

All references to "you" and "your" in this section are to the prospective investors in the Issue. By Bidding (hereinafter defined) and/or subscribing to any Equity Shares under this Issue, you are deemed to have represented, warranted, acknowledged undertaken, and agreed to the contents set forth in the sections titled "*Notice to Investors*", "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 3, 461 and 470, respectively, and to have represented, warranted, acknowledged and agreed to our Company and the Book Running Lead Managers, as follows:

1. Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Company or our Subsidiaries which is not set forth in this Preliminary Placement Document;

2. You are a "**Qualified Institutional Buyer**" as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under the applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 and all other applicable laws; and (ii) comply with all requirements under applicable law in this relation, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;

3. If you are not a resident of India and an Eligible QIB, (i) you are a foreign portfolio investor, and you confirm that you are an Eligible FPI as defined in this Preliminary Placement Document and have a valid and existing registration with SEBI under the applicable laws in India and can participate in the Issue only under Schedule II of FEMA Rules, or (ii) a multilateral or bilateral development financial institution and you are eligible to invest in India under applicable law, including FEMA Rules, and any other notifications, circulars or clarifications issued thereunder. You will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws. You have not been prohibited by SEBI, RBI or any other regulatory authority, from buying, selling or dealing in securities or otherwise accessing the capital markets. Further, since FVCIs are not permitted to participate in the Issue, you confirm that you are not a FVCI under the SEBI FVCI Regulation;

4. You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with press note no. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, Government of India, and Rule 6 of the FEMA Rules;

5. You will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws;

6. Further, you acknowledge that in terms of the SEBI FPI Regulations and FEMA Rules, Eligible FPIs may invest in such number of Equity Shares such that (i) the total holding of the Eligible FPI, including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) in our Company shall be less than 10% of the post-Issue total paid-up equity share capital of our Company on a fully diluted basis, and (ii) the aggregate limit for total holdings of all FPIs put together, including any other direct and indirect foreign investments in the Indian company by FPIs permitted under the FEMA Rules, shall not exceed the sectoral cap applicable to our Company, as laid down in Schedule I of the FEMA Rules. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. In case the holding of an FPI together with its investor group increases to 10.00% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI (as defined hereinafter), subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations.

7. You will provide the information as required under the Companies Act, 2013 and the PAS Rules, the applicable provision of the SEBI ICDR Regulations and any other applicable laws, for record keeping by our Company, including your name, nationality, complete address, phone number, e-mail address, permanent account number and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue;

8. If you are Allotted Equity Shares pursuant to the Issue, you shall not sell the Equity Shares so acquired, for a period of one year from the date of Allotment (hereinafter defined), except on the Stock Exchanges. Please note additional requirements apply if you are in certain other jurisdictions and in accordance with any other resale restrictions applicable to you. For further details in this regard, see "*Selling Restrictions*" and "*Transfer Restrictions*" on page 461 and 470, respectively;

9. You are aware that this Preliminary Placement Document has not been, and the Placement Document will not be, filed as a prospectus with the RoC under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Preliminary Placement Document (which includes disclosure prescribed under Form PAS-4) has not been reviewed, verified or affirmed by SEBI, the RBI, the Stock Exchanges or any other regulatory or listing authority and is intended only for use by Eligible QIBs. This Preliminary Placement Document has been filed (and the Placement Document) shall be filed with the Stock Exchanges for record purposes only and be displayed on the websites of our Company and the Stock Exchanges;

10. You are entitled to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions applicable to you and that you have fully observed such laws and you have all necessary capacity and have obtained all necessary consents and authorisations, as may be required and complied with and shall comply with all necessary formalities to enable you to participate in the Issue and to perform your obligations in relation thereto (including without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;

11. Neither our Company, the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment of the Equity Shares, be a client of the Book Running Lead Managers. Neither the Book Running Lead Managers nor any of their shareholders, directors, officers, employees, counsels, representatives, agents or affiliates has any duty or responsibility to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity;

12. You acknowledge that all statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward looking statements. You acknowledge that such forward looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward looking statements. You acknowledge that such forward looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You shall not place undue reliance on forward looking statements, which speak only as of the date of this Preliminary Placement Document. You acknowledge that none of our Company, the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates assumes any responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;

13. You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category of investors other than the Eligible QIBs and the Allotment shall be on a discretionary basis at the discretion of our Company in consultation with the Book Running Lead Managers;

14. You have made, or been deemed to have made, as applicable, the representations, warranties, acknowledgments and undertakings as set out under "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 461 and 470, respectively and you warrant that you will comply with such representations, warranties, acknowledgments and undertakings;

15. You have been provided a serially numbered copy of this Preliminary Placement Document, and have read it in its entirety, including in particular the "*Risk Factors*" on page 51;

16. In making your investment decision, you have (i) relied on your own examination of our Company and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Company and the Equity Shares and the terms of the Issue based on such information as is publicly available, (iii) consulted your own independent counsels and advisors or otherwise have satisfied yourself concerning, the

effects of local laws (including tax laws), (iv) relied solely on the information contained in this Preliminary Placement Document and no other disclosure or representation by our Company or any other party, (v) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares, and (vi) relied upon your own investigation and resources in deciding to invest in the Issue;

17. Neither the Book Running Lead Managers nor any of their shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, has provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including the Issue and the use of proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the Book Running Lead Managers or any of their shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, when evaluating the tax consequences in relation to the purchase, ownership and disposal of the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against, either of the Book Running Lead Managers or any of their shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

18. You are a sophisticated investor and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares and you and any managed accounts for which you are subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, including a complete loss on the investment in the Equity Shares, (ii) will not look to our Company and/or the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iii) have no need for liquidity with respect to the investment in the Equity Shares, and (iv) you are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares.

19. You are not a 'promoter' of our Company (as defined under the SEBI ICDR Regulations or the Companies Act, 2013), and are not a person related to the Promoters, either directly or indirectly and your Bid does not directly or indirectly represent any Promoters or Promoter Group (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;

20. You have no rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board of Directors of our Company, other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoters);

21. You are eligible to Bid for and hold Equity Shares so Allotted together with any Equity Shares held by you prior to the Issue. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;

22. The Bid made by you would not ultimately result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("**SEBI Takeover Regulations**") and you shall be solely responsible for compliance with all other applicable provisions of the SEBI Takeover Regulations;

23. To the best of your knowledge and belief, your aggregate holding, together with other Eligible QIBs in the Issue that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:

    a. Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and

    b. 'Control' shall have the same meaning as is assigned to it under the SEBI Takeover Regulations;

24. You are aware that in relation to the Issue (i) applications for in-principle approval, in terms of Regulation 28 of the SEBI Listing Regulations, for listing and admission of the Equity Shares and for trading on the Stock Exchanges, were made and approval has been received from each of the Stock Exchanges, and (ii) final applications will be made for obtaining listing and trading approvals from the Stock Exchanges, and that there can be no assurance that such approvals will be obtained on time or at all. Neither our Company nor the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising therefrom;

25. You shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

26. You are aware that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document. However, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Book Running Lead Managers;

27. You agree in terms of Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, that our Company shall make necessary filings with the RoC (which shall include certain details such as your name, address and number of Equity Shares Allotted) as may be required under the Companies Act, 2013, and you consent to such disclosure being made by us;

28. You acknowledge that this Preliminary Placement Document does not, and the Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

29. You are aware that if you, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, our Company shall be required to disclose the name of such Allottees and the number of Equity Shares Allotted to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures being made by our Company;

30. You are aware and understand that the Book Running Lead Managers has entered into a Placement Agreement with our Company, whereby the Book Running Lead Managers has, subject to the satisfaction of certain conditions set out therein, severally and not jointly, undertaken to use their reasonable efforts to seek to procure subscription for the Equity Shares on the terms and conditions set out therein;

31. You acknowledge that the contents of this Preliminary Placement Document are exclusively the responsibility of our Company and that neither the Book Running Lead Managers nor any person acting on its behalf or any of the counsels or advisors to the Issue has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By accepting participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, and you have neither received nor relied on any other information, representation, warranty or statement made by, or on behalf of, the Book Running Lead Managers or our Company or any other person and neither the Book Running Lead Managers nor our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, and the Book Running Lead Managers and its affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion.

32. You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and will be credited as fully paid and will rank *pari passu* in all respects with the existing Equity Shares, including in respect of the right to receive dividend and other distributions declared;

33. Neither the Book Running Lead Managers nor any of its affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained

or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise;

34. You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act, 2013;

35. You represent that you are not an affiliate of our Company or the Book Running Lead Managers or a person acting on behalf of such affiliate;

36. You are outside the United States and are subscribing for the Equity Shares in an "offshore transaction" as defined in, and in reliance on, Regulation S and the applicable laws of the jurisdiction where those offers and sales are made;

37. You understand that the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resale of any such Equity Shares;

38. You are not acquiring or subscribing for the Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the Securities Act provided by Section 4(a) thereof. You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described in "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 461 and 470 respectively;

39. You confirm that either (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents with regard to our Company or this Issue; or (ii) if you have participated in or attended any Company presentations: (a) you understand and acknowledge that the Book Running Lead Managers may not have the knowledge of the statements that our Company or its agents may have made at such company presentations and are therefore unable to determine whether the information provided to you at such meetings or presentations included any material misstatements or omissions, and, accordingly you acknowledge that Book Running Lead Managers has advised you not to rely in any way on any such information that was provided to you at such meetings or presentations, and (b) you confirm that, to the best of your knowledge, you have not been provided any material information that was not publicly available;

40. You understand that the Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state securities laws. For more information, see "*Selling Restrictions*" on page 461;

41. If you are within the United States, you are a U.S. QIB, who is or are acquiring the Equity Shares for your own account or for the account of an institutional investor who also meets the requirements of a U.S. QIB, for investment purposes only, and not with a view to, or for offer or sale in connection with, the distribution (within the meaning of any United States securities laws) thereof in whole or in part;

42. You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Bengaluru, India shall have sole and exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document;

43. The Bid made by you would not result in triggering a tender offer under the SEBI Takeover Regulations and you shall be solely responsible for compliance with all other applicable provisions of the SEBI Takeover Regulations; and

44. You have no right to withdraw your Application Form or revise your Bid downwards after the Issue Closing Date (as defined hereinafter);

45. If you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorized in writing, by each such managed account to acquire the Equity Shares for each managed account and make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to 'you' to include such accounts;

46. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue. You agree to indemnify and hold our Company and the Book Running Lead Managers and their respective affiliates and their respective directors, officers, employees and controlling persons harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements, agreements and undertakings made by you in this Preliminary Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts; and

47. You acknowledge that our Company, the Book Running Lead Managers, their respective affiliates, directors, officers, employees and controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which are given to the Book Running Lead Managers on its own behalf and on behalf of our Company, and are irrevocable.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines, and approvals in terms of Regulation 21 of the SEBI FPI Regulations, and the Operating Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued by SEBI to facilitate implementation of the SEBI FPI Regulations, FPIs, including the affiliates of the Manager, who are registered as category I FPI can issue, subscribe and deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying and all such offshore derivative instruments are referred to herein as "**P-Notes**") and persons who are eligible for registration as category I FPIs can subscribe to or deal in such P-Notes, provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned category I FPIs may receive compensation from the purchasers of such instruments. Such P-Notes can be issued post compliance with the KYC norms and such other conditions as specified by SEBI from time to time. P-Notes have not been, and are not being offered, or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including, without limitation, any information regarding any risk factors relating thereto.

For further details relating to investment limits of FPIs, see "*Issue Procedure*" on page 443. P-Notes may be issued only in favour of those entities which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. Pursuant to its circular dated June 10, 2016, SEBI has introduced additional requirements applicable to P-Notes, including (i) KYC norms for issuers of P-Notes which require identification and verification of beneficial owners of entities subscribing to the P-Note holding more than a prescribed threshold; (ii) the requirement for issuers to file suspicious transaction reports with the Indian Financial Intelligence Unit; and (iii) the requirement for the issuer to report details of intermediate transfers in the monthly reports on P-Notes submitted to SEBI. An Eligible FPI shall also ensure that no further issue or transfer of any instrument referred to above is made by or on behalf of it to any person other than such entities regulated by appropriate foreign regulatory authorities. P-Notes have not been, and are not being offered, or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-notes, including, without limitation, any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or above of our post-Issue Equity Share capital on a fully diluted basis. The SEBI has, vide a circular dated November 5, 2019, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors (the "**FPI Operational Guidelines**"), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the above mentioned restrictions shall also apply to subscribers of offshore derivative instruments and two or more subscribers of offshore derivative instruments having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the offshore derivative instruments. Further, in the event a prospective investor has investments as an FPI and as a subscriber of offshore derivative instruments, these investment restrictions shall apply on the aggregate of the FPI and offshore derivative instruments investments held in the underlying company. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Affiliates of the BRLM which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by and are the sole obligations of, third parties that are unrelated to our Company. Our Company, the BRLM do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the BRLM and does not constitute any obligations of or claims on the BRLM.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

Also see "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 461 and 470, respectively.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Preliminary Placement Document has been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

(1) warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document;

(2) warrant that the Equity Shares issued pursuant to the Issue will be listed or will continue to be listed on the Stock Exchanges; or

(3) take any responsibility for the financial or other soundness of our Company, its Promoter, its management or any scheme or project of our Company.

It should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain conventions

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you', 'your', 'offeree', 'purchaser', 'subscriber', 'recipient', 'investors', 'prospective investors' and 'potential investor' are to the Eligible QIBs who are the prospective investors in the Equity Shares issued pursuant to the Issue and references to the 'Company', 'our Company' or the 'Issuer', refers to Biocon Limited and references to "we", "us", or "our" are to our Company together with our Subsidiaries, Joint Venture and Associate, on a consolidated basis.

Currency and units of presentation

In this Preliminary Placement Document, references to 'INR', '₹', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of India, to 'USD', 'U.S. Dollars' and 'US$' are to the legal currency of the United States, 'GBP' is to the legal currency of United Kingdom, 'CHF' is to legal currency of Switzerland and Liechtenstein, 'AED' is to the legal currency of United Arab Emirates, 'MYR' is to the legal currency of Malaysia, 'EUR' is to the legal currency of European Union, 'MAD' is to the legal currency of Morocco, 'ZAR' is to the legal currency of South Africa, 'THB' is to the legal currency of Thailand and 'PHP' is to the legal currency of Philippines. All references herein to 'India' are to the Republic of India and its territories and possessions and the 'Government' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable. All references herein to the 'US' or the 'U.S.' or the 'United States' are to the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. All the numbers in this Preliminary Placement Document have been presented in million or whole numbers, unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000. All per share and percentage figures have been rounded off to two decimal places. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Preliminary Placement Document in such denominations as provided in the respective sources. Our financials are prepared in millions for Fiscal 2025, Fiscal 2024 and Fiscal 2023.

Unless otherwise stated, all references to page numbers in this Preliminary Placement Document are to page numbers of this Preliminary Placement Document.

Financial data and other information

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to a particular 'financial year', 'Fiscal Year', 'Fiscal' or 'FY' are to the twelve month period ended on March 31 of that year and references to a particular 'year' are to the calendar year ending on December 31 of that year. Unless otherwise stated, all references to page numbers in this Preliminary Placement Document are to page numbers of this Preliminary Placement Document.

In this Preliminary Placement Document, we have included the following financial statements of our Company prepared in accordance with the Indian Accounting Standards as notified by the MCA vide Companies (Indian Accounting Standards) Rules 2015, as amended ("**Ind AS**"):

(a) the audited consolidated financial statements of our Company as at and for the Fiscal ended March 31, 2025, prepared in accordance with the Indian Accounting Standards ("**Ind AS**"), specified under Section 133 of Companies Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended (collectively, the "**Fiscal 2025 Audited Consolidated Financial Statements**");

(b) the audited consolidated financial statements of our Company as at and for the Fiscal ended March 31, 2024, prepared in accordance with the Indian Accounting Standards ("**Ind AS**"), specified under Section 133 of Companies Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended (collectively, the "**Fiscal 2024 Audited Consolidated Financial Statements**"); and

(c) the audited consolidated financial statements of our Company as at and for the Fiscal ended March 31, 2023, prepared in accordance with the Indian Accounting Standards ("**Ind AS**"), specified under Section 133 of Companies Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended (collectively, the "**Fiscal 2023 Audited Consolidated Financial Statements**").

The Fiscal 2025 Audited Consolidated Financial Statements, the Fiscal 2024 Audited Consolidated Financial Statements and the Fiscal 2023 Audited Consolidated Financial Statements, together with the respective reports thereon issued by our Statutory Auditors, have been included in this Preliminary Placement Document.

The Audited Consolidated Financial Statements have been audited by our Statutory Auditors, M/s B S R & Co. LLP, Chartered Accountants, who have been appointed as our Statutory Auditors in accordance with Section 139 of the Companies Act, 2013, and they have issued audit reports dated May 8, 2025, May 16, 2024, and May 23, 2023, for the Fiscals ended March 31, 2025, March 31, 2024 and March 31, 2023, respectively. For further details, see "*Our Statutory Auditor*" on page 502.

Our Company prepares its financial statements in accordance with Ind AS. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including IFRS and U.S. GAAP and the reconciliation of the financial information to other accounting principles has not been provided. No attempt has been made to explain those differences or quantify their impact on the financial data included in this Preliminary Placement Document nor does our Company provide a reconciliation of its financial statements to IFRS or U.S. GAAP. Investors should consult their own advisors regarding such differences and their impact on our Company's financial data. The degree to which the financial information included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. Also see, "*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition*" on page 81.

Certain figures contained in this Preliminary Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless otherwise specified, all financial numbers in parenthesis represent negative figures. Further, the figures in the Audited Consolidated Financial Statements are presented using the Indian numeration system (with lakhs as the unit). However, the figures in this Preliminary Placement Document, which relate to these financial statements, are presented using the international numeration system (with millions as the unit).

Non-GAAP financial measures

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as EBITDA, EBITDA Margin, Inventory turnover ratio, Net Worth, Return on Net Worth and Return on Equity ('ROE') have been included in this Preliminary Placement Document. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance considering such information, as it relates to our businesses, to be useful measures of our businesses and financial performance. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance are supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, these non-GAAP measures are not standardised terms, hence a direct comparison of these non-GAAP Measures between companies may not be possible. Other companies may calculate these non-GAAP measures differently from us, limiting its usefulness as a comparative measure. Although such non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance. However, they may not be computed on the basis of any standard methodology that is applicable across our industries and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies in our respective markets and are not measures of operating performance or liquidity defined by Ind AS, in the case of our Company and may not be comparable to similarly titled measures presented by other companies.

These non-GAAP financial measures have limitations as analytical tools. Some of these limitations are: they do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments; they do not reflect changes in, or cash requirements for our working capital needs; although depreciation and amortisation are noncash charges, the assets being depreciated and amortised may change in the future, and these measures do not reflect any cash requirements for such changes; and other companies in our industry may calculate such non-GAAP measures differently than we do, limiting their usefulness as comparative measures. Because of these limitations, such non-GAAP measures should not be considered in isolation or as a substitute for performance measures calculated in accordance with Ind AS. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures

of performance or as an indicator of our operating performances, liquidity, profitability or results of operation. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the financial statements included in this Preliminary Placement Document for our Company Prospective investors should read this information in conjunction with the financial statements included in "*Financial Information*" on page 99.

INDUSTRY AND MARKET DATA

The statistical information, industry and market data, information regarding our position in the market, growth rates and other industry data pertaining to our business included in this Preliminary Placement Document relating to the industry in which we operate has been derived from the reports titled "*Independent Market Research Report on Global Pharmaceutical, Active Ingredients, and Contract Service Market*" dated June, 2025 which reports exclusively commissioned and paid for by our Company and prepared by Frost & Sullivan (India) Private Limited. Frost & Sullivan (India) Private Limited is not related in any manner to our Company, our Subsidiaries, our Joint Venture, our Associate, our Promoters, Directors, Key Managerial Personnel and members of Senior Management.

This data is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Neither we nor the Book Running Lead Managers have independently verified the industry and third-party information therein and do not make any representation regarding the accuracy or completeness of such data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so we have relied on internally developed estimates. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither we nor the Book Running Lead Managers can assure potential investors as to their accuracy.

The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends solely on the reader's familiarity with and understanding of the methodologies used in compiling such data. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors – Certain facts and statistics contained in this document have come from industry or other third-party publications, the reliability of which cannot be assumed or assured*" on page 79. Thus, neither our Company nor the Book Running Lead Managers can assure you of the correctness, accuracy and completeness of such data. Accordingly, investment decisions should not be based solely on such information.

Further, Frost & Sullivan (India) Private Limited has issued the following disclaimer in the Report:

"*Frost & Sullivan has taken due care and caution in preparing this report ("F&S Report") based on the information obtained by Frost & Sullivan from sources which it considers reliable ("Data"). This (F&S) Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Report is to be construed as Frost & Sullivan providing or intending to provide any services in jurisdictions where Frost & Sullivan does not have the necessary permission and/or registration to carry out its business activities in this regard. Biocon Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the F&S Report or part thereof outside India. No part of this Frost & Sullivan Report may be published/reproduced in any form without Frost & Sullivan's prior written approval.*
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FORWARD LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute 'forward-looking statements'. The prospective investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'goal', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'seek to', 'should', 'will', 'will continue', 'will pursue', 'would', or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

The forward-looking statements appear in a number of places throughout this Preliminary Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate. In addition even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Preliminary Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts. These forward-looking statements contained in this Preliminary Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

- The complex regulatory approval process for the development of our products is a lengthy and expensive process with uncertain timelines and outcomes, which could materially and adversely impact our business, financial condition, and operations.

- Our product manufacturing involves complex procedures and is highly regulated and subject to regulatory requirements, contractual obligations and inspections. Any shortcomings at our manufacturing facilities, such as any violation of applicable regulatory requirements or contractual obligations, may reduce sales and in turn, affect our business, financial condition and results of operations

- We are dependent on the success of our research and development ("**R&D**") services, and the failure to develop new or improved products or process improvements or production techniques in a timely manner could otherwise adversely affect our business.

- If we are unable to maintain a sufficiently large and/or differentiated portfolio of pharmaceutical products and services and manage their development and approval processes so as to bring them to market on a timely basis, our growth strategy may not be successful and our business would be adversely affected.

- Particularly in our Biosimilars segment, in the context of our development efforts, biosimilars carry unique regulatory risks and uncertainties, which could adversely affect our results of operations and financial condition, particularly in the United States.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under the sections titled "*Risk Factors*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations for our Company*" on pages 51, 388, 339 and 359, respectively.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, any future gains, losses or impact on net income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. The

forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure the prospective investors that such expectations will prove to be correct. Given these uncertainties, the prospective investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and our Company or the Book Running Lead Managers undertake no obligation to update or revise any of them, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements. In accordance with SEBI and Stock Exchange requirements, our Company and the Book Running Lead Managers' will ensure that the Shareholders are informed of material developments until the time of the grant of listing and trading permissions by the Stock Exchange.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited company incorporated under the laws of India. Majority of the Directors, Key Managerial Personnel and Senior Management of our Company named herein are resident citizens of India and a substantial portion of the assets of our Company and of such persons are located in India. As a result, it may be difficult or may not be possible for the prospective investors outside India to affect service of process upon our Company or such persons in India, or to enforce against them judgments of courts outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Civil Procedure Code. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except:

a. where the judgment has not been pronounced by a court of competent jurisdiction;

b. where the judgment has not been given on the merits of the case;

c. where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;

d. where the proceedings in which the judgment was obtained were opposed to natural justice;

e. where the judgment has been obtained by fraud; and

f. where the judgment sustains a claim founded on a breach of any law in force in India.

A foreign judgment which is conclusive under Section 13 of the Civil Procedure Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution. Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards. The execution of a foreign decree under Section 44A of the Civil Procedure Code is also subject to the exception under Section 13 of the Civil Procedure Code as mentioned above.

Each of the United Kingdom, Singapore, United Arab Emirates and Hong Kong, amongst others has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a new suit upon the foreign judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award in a foreign currency would be converted into Indian Rupees on the date of such judgment or award and not on the date of payment.

A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws. We cannot assure that such approval will be forthcoming within a reasonable period of time, or at all or that condition of such approval would be acceptable. Our Company and the Book Running Lead Managers cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATES

Fluctuations in the exchange rate between the Indian Rupee and foreign currencies will affect the foreign currency equivalent of the Indian Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Indian Rupees on the Equity Shares.

INR TO USD

The following table sets forth information with respect to the exchange rates between the Indian Rupee and the U.S. dollar (in ₹ per USD). No representation is made that any Indian Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

(₹ per US$)

	Period end[(1)]	Average[(2)]	High[(3)]	Low[(4)]
Fiscal*				
2025	85.58	84.57	87.59	83.07
2024	83.37	82.79	83.40	81.65
2023	82.22	80.51	83.20	76.09
Month ended*				
May 31, 2025	85.48	85.19	85.69	83.86
April 30, 2025	85.05	85.56	86.62	85.05
March 31, 2025	85.58	86.64	87.38	85.58
February 28, 2025	87.40	87.05	87.59	86.65
January 31, 2025	86.64	86.27	86.64	85.71
December 31, 2024	85.62	84.99	85.62	84.66

(Source: www.rbi.org.in, www.fbil.org.in, www.oanda.com and www.xe.com)

Notes:

(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods;
(2) Average of the official rate for each working day of the relevant period;
(3) Maximum of the official rate for each working day of the relevant period;
(4) Minimum of the official rate for each working day of the relevant period; and
(5) High, low and average are based on the Oanda / XE reference rates and rounded off to two decimal places.

** If the RBI/ FBIL/ Oanda / XE reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*

INR TO GBP

The following table sets forth information with respect to the exchange rates between the Indian Rupee and the GBP (in ₹ per GBP). No representation is made that any Indian Rupee amounts could have been, or could be, converted into GBP at any particular rate, the rates stated below, or at all.

(₹ per GBP)

	Period end[(1)]	Average[(2)]	High[(3)]	Low[(4)]
Fiscal*				
2025	110.74	107.89	112.81	102.88
2024	105.29	104.07	107.64	100.39
2023	101.87	96.77	102.23	86.62
Month ended*				
May 31, 2025	115.14	113.92	115.74	111.61
April 30, 2025	113.88	112.70	114.29	109.87
March 31, 2025	110.74	111.73	112.81	110.07
February 28, 2025	109.98	108.98	110.41	107.05
January 31, 2025	107.62	106.61	107.85	105.05
December 31, 2024	107.46	107.48	108.37	106.29

(Source: www.rbi.org.in, www.fbil.org.in, www.oanda.com and www.xe.com)

Notes:

(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods;
(2) Average of the official rate for each working day of the relevant period;
(3) Maximum of the official rate for each working day of the relevant period;
(4) Minimum of the official rate for each working day of the relevant period; and
(5) High, low and average are based on the Oanda / XE reference rates and rounded off to two decimal places.

**If the RBI/ FBIL/ Oanda / XE reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*

INR TO CHF

The following table sets forth information with respect to the exchange rates between the Indian Rupee and the CHF (in ₹ per CHF). No representation is made that any Indian Rupee amounts could have been, or could be, converted into CHF at any particular rate, the rates stated below, or at all.

(₹ per CHF)

	Period end[(1)]	Average[(2)]	High[(3)]	Low[(4)]
Fiscal*				
2025	96.93	95.42	99.64	90.78
2024	92.51	93.50	99.07	89.86
2023	89.86	84.19	90.20	77.19
Month ended*				
May 31, 2025				
April 30, 2025	104.06	102.81	104.06	100.92
March 31, 2025	102.87	102.78	105.63	96.89
February 28, 2025	96.93	95.42	99.64	90.78
January 31, 2025	96.98	96.32	97.46	95.13
December 31, 2024	95.20	94.81	95.67	94.08

(Source: www.rbi.org.in, www.fbil.org.in, www.oanda.com and www.xe.com)

Notes:

(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods;
(2) Average of the official rate for each working day of the relevant period;
(3) Maximum of the official rate for each working day of the relevant period;
(4) Minimum of the official rate for each working day of the relevant period; and
(5) High, low and average are based on the Oanda / XE reference rates and rounded off to two decimal places.

** If the RBI/ FBIL/ Oanda / XE reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*

INR TO AED

The following table sets forth information with respect to the exchange rates between the Indian Rupee and the AED (in ₹ per AED). No representation is made that any Indian Rupee amounts could have been, or could be, converted into AED at any particular rate, the rates stated below, or at all.

(₹ per AED)

	Period end[(1)]	Average[(2)]	High[(3)]	Low[(4)]
Fiscal*				
2025	23.27	23.03	23.94	22.62
2024	22.69	22.55	22.90	22.26
2023	22.38	21.87	22.68	20.50
Month ended*				
May 31, 2025	23.31	23.20	23.39	22.95
April 30, 2025	23.08	23.31	23.55	23.08
March 31, 2025	23.27	23.03	23.94	22.62
February 28, 2025	23.80	23.70	23.94	23.59
January 31, 2025	23.59	23.48	23.59	23.31
December 31, 2024	23.31	23.14	23.31	23.03

(Source: www.rbi.org.in, www.fbil.org.in, www.oanda.com and www.xe.com)

Notes:

(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods;
(2) Average of the official rate for each working day of the relevant period;
(3) Maximum of the official rate for each working day of the relevant period;
(4) Minimum of the official rate for each working day of the relevant period; and
(5) High, low and average are based on the Oanda / XE reference rates and rounded off to two decimal places.

**If the RBI/ FBIL/ Oanda / XE reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*

INR TO MYR

The following table sets forth information with respect to the exchange rates between the Indian Rupee and the MYR (in ₹ per MYR). No representation is made that any Indian Rupee amounts could have been, or could be, converted into MYR at any particular rate, the rates stated below, or at all.

(₹ per MYR)

	Period end[(1)]	Average[(2)]	High[(3)]	Low[(4)]
Fiscal*				
2025	19.28	18.80	20.36	17.44
2024	17.65	17.85	18.65	17.30
2023	18.63	18.08	19.42	17.24
Month ended*				
May 31, 2025	20.12	19.98	20.20	19.63
April 30, 2025	19.66	19.41	19.69	19.20
March 31, 2025	19.28	18.80	20.36	17.44
February 28, 2025	19.60	19.62	19.81	19.43
January 31, 2025	19.51	19.32	19.74	19.02
December 31, 2024	19.16	19.06	19.18	18.86

(Source: www.rbi.org.in, www.fbil.org.in, www.oanda.com and www.xe.com)

Notes:
(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods;
(2) Average of the official rate for each working day of the relevant period;
(3) Maximum of the official rate for each working day of the relevant period;
(4) Minimum of the official rate for each working day of the relevant period; and
(5) High, low and average are based on the Oanda / XE reference rates and rounded off to two decimal places.

**If the RBI/ FBIL/ Oanda / XE reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*

INR TO EUR

The following table sets forth information with respect to the exchange rates between the Indian Rupee and the EUR (in ₹ per EUR). No representation is made that any Indian Rupee amounts could have been, or could be, converted into EUR at any particular rate, the rates stated below, or at all.

(₹ per EUR)

	Period end[(1)]	Average[(2)]	High[(3)]	Low[(4)]
Fiscal*				
2025	92.32	90.76	95.14	88.11
2024	90.22	89.80	92.45	87.07
2023	89.61	83.76	90.26	78.34
Month ended*				
May 31, 2025	96.94	96.15	97.13	94.30
April 30, 2025	96.74	96.23	98.03	92.39
March 31, 2025	92.32	93.51	95.14	90.95
February 28, 2025	90.78	90.58	91.31	89.27
January 31, 2025	90.01	89.30	90.40	88.11
December 31, 2024	89.09	89.03	89.66	88.17

(Source: www.rbi.org.in, www.fbil.org.in, www.oanda.com and www.xe.com)

Notes:
(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods;
(2) Average of the official rate for each working day of the relevant period;
(3) Maximum of the official rate for each working day of the relevant period;
(4) Minimum of the official rate for each working day of the relevant period; and
(5) High, low and average are based on the Oanda / XE reference rates and rounded off to two decimal places.

** If the RBI/ FBIL/ Oanda / XE reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*

INR TO MAD

The following table sets forth information with respect to the exchange rates between the Indian Rupee and the MAD (in ₹ per MAD). No representation is made that any Indian Rupee amounts could have been, or could be, converted into MAD at any particular rate, the rates stated below, or at all.

(₹ per MAD)

	Period end[(1)]	Average[(2)]	High[(3)]	Low[(4)]
Fiscal*				
2025	8.96	8.64	9.13	8.24
2024	8.29	8.31	8.67	8.05
2023	8.09	7.84	8.23	7.42

Month ended*				
May 31, 2025	9.42	9.34	9.45	9.18
April 30, 2025	9.23	9.23	9.37	8.99
March 31, 2025	8.96	8.64	9.13	8.24
February 28, 2025	8.87	8.79	8.89	8.69
January 31, 2025	8.72	8.71	8.91	8.60
December 31, 2024	8.62	8.64	8.77	8.48

(Source: www.rbi.org.in, www.fbil.org.in, www.oanda.com and www.xe.com)

Notes:
(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods;
(2) Average of the official rate for each working day of the relevant period;
(3) Maximum of the official rate for each working day of the relevant period;
(4) Minimum of the official rate for each working day of the relevant period; and
(5) High, low and average are based on the Oanda / XE reference rates and rounded off to two decimal places.

**If the RBI/ FBIL/ Oanda / XE reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*

INR TO ZAR

The following table sets forth information with respect to the exchange rates between the Indian Rupee and the ZAR (in ₹ per ZAR). No representation is made that any Indian Rupee amounts could have been, or could be, converted into ZAR at any particular rate, the rates stated below, or at all.

(₹ per ZAR)

	Period end(1)	**Average(2)**	**High(3)**	**Low(4)**
Fiscal*				
2025	4.66	4.64	4.90	4.35
2024	4.42	4.42	4.68	4.19
2023	4.62	4.74	5.24	4.41
Month ended*				
May 31, 2025	4.76	4.71	4.78	4.55
April 30, 2025	4.56	4.53	4.66	4.41
March 31, 2025	4.66	4.64	4.90	4.35
February 28, 2025	4.71	4.71	4.78	4.61
January 31, 2025	4.66	4.61	4.69	4.51
December 31, 2024	4.55	4.67	4.79	4.55

(Source: www.rbi.org.in, www.fbil.org.in, www.oanda.com and www.xe.com)

Notes:
(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods;
(2) Average of the official rate for each working day of the relevant period;
(3) Maximum of the official rate for each working day of the relevant period;
(4) Minimum of the official rate for each working day of the relevant period; and
(5) High, low and average are based on the Oanda / XE reference rates and rounded off to two decimal places.

**If the RBI/ FBIL/ Oanda / XE reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*

INR TO THB

The following table sets forth information with respect to the exchange rates between the Indian Rupee and the THB (in ₹ per THB). No representation is made that any Indian Rupee amounts could have been, or could be, converted into THB at any particular rate, the rates stated below, or at all.

(₹ per THB)

	Period end(1)	**Average(2)**	**High(3)**	**Low(4)**
Fiscal*				
2025	2.52	2.43	2.60	2.25
2024	2.29	2.35	2.44	2.24
2023	2.41	2.28	2.50	2.13
Month ended*				
May 31, 2025	2.61	2.59	2.63	2.53
April 30, 2025	2.54	2.54	2.58	2.48
March 31, 2025	2.52	2.43	2.60	2.25
February 28, 2025	2.56	2.58	2.60	2.55
January 31, 2025	2.57	2.52	2.57	2.48

December 31, 2024	2.50	2.49	2.52	2.46

(Source: www.rbi.org.in, www.fbil.org.in, www.oanda.com and www.xe.com)

Notes:
(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods;
(2) Average of the official rate for each working day of the relevant period;
(3) Maximum of the official rate for each working day of the relevant period;
(4) Minimum of the official rate for each working day of the relevant period; and
(5) High, low and average are based on the Oanda / XE reference rates and rounded off to two decimal places.

**If the RBI/ FBIL/ Oanda / XE reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*

INR TO PHP

The following table sets forth information with respect to the exchange rates between the Indian Rupee and the PHP (in ₹ per PHP). No representation is made that any Indian Rupee amounts could have been, or could be, converted into PHP at any particular rate, the rates stated below, or at all.

(₹ per PHP)

	Period end[(1)]	**Average[(2)]**	**High[(3)]**	**Low[(4)]**
Fiscal*				
2025	1.49	1.47	1.53	1.42
2024	1.48	1.48	1.53	1.46
2023	1.51	1.45	1.53	1.36
Month ended*				
May 31, 2025				
April 30, 2025	1.54	1.53	1.54	1.52
March 31, 2025	1.52	1.51	1.52	1.49
February 28, 2025	1.49	1.47	1.53	1.42
January 31, 2025	1.51	1.50	1.53	1.49
December 31, 2024	1.48	1.48	1.49	1.47

(Source: www.rbi.org.in, www.fbil.org.in, www.oanda.com and www.xe.com)

Notes:
(1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods;
(2) Average of the official rate for each working day of the relevant period;
(3) Maximum of the official rate for each working day of the relevant period;
(4) Minimum of the official rate for each working day of the relevant period; and
(5) High, low and average are based on the Oanda / XE reference rates and rounded off to two decimal places.

**If the RBI/ FBIL/ Oanda / XE reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.*

DEFINITIONS AND ABBREVIATIONS

This Preliminary Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalised terms used in this Preliminary Placement Document is intended for the convenience of the reader/ prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further any references to any agreement, document, statute, rules, guidelines, regulations or policies shall include amendments made thereto, from time to time.

The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013 the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the sections titled "Taxation", "Industry Overview", "Financial Information" and "Legal Proceedings" on pages 482, 388, 99 and 497 respectively, shall have the meaning given to such terms in such sections.

General terms

Term	Description
"our Company" or "the Company" or "the Issuer"	Biocon Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at 20th KM, Hosur Road, Electronic City, Bangalore, Karnataka – 560 100, India
"we" or "us" or "our" or "group"	Unless the context otherwise indicates or implies, refers to our Company along with the Subsidiaries, Joint Venture and Associate on a consolidated basis

Company related terms

Term	Description
"Articles" or "Articles of Association"	Articles of association of our Company, as amended from time to time
Associate	IATRICa Inc. For the purposes of financial information, the term 'Associate' shall mean our Associate as at and during the relevant Fiscal.
Audit Committee	Audit committee of our Company as disclosed in "*Board of Directors and Senior Management*" on page 426
Audited Consolidated Financial Statements	The Fiscal 2025 Audited Consolidated Financial Statements, the Fiscal 2024 Audited Consolidated Financial Statements and the Fiscal 2023 Audited Consolidated Financial Statements
"Board of Directors" or "Board" or "our Board"	The board of directors of our Company or any duly constituted committee thereof
Corporate Social Responsibility and ESG Committee	The corporate social responsibility and ESG committee constituted by our Board of Directors. For details, see "*Board of Directors and Senior Management*" on page 426
Director(s)	The directors of our Company as at the date of this Preliminary Placement Document
Equity Shares	Equity shares having a face value of ₹ 5 each of our Company
Fiscal 2025 Audited Consolidated Financial Statements	Audited consolidated financial statements of the Group as of and for the year ended March 31, 2025 comprising the consolidated balance sheet as at March 31, 2025, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended March 31, 2025 and notes to the consolidated financial statements, including material accounting policies and other explanatory information prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the 'Act') and other relevant provisions of the Act.
Fiscal 2024 Audited Consolidated Financial Statements	Audited consolidated financial statements of the Group as of and for the year ended March 31, 2024 comprising the consolidated balance sheet as at March 31, 2024, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended March 31, 2024 and notes to the consolidated financial statements, including material accounting policies and other explanatory information prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the 'Act') and other relevant provisions of the Act.
Fiscal 2023 Audited Consolidated Financial Statements	Audited consolidated financial statements of the Group as of and for the year ended March 31, 2023 comprising the consolidated balance sheet as at March 31, 2023, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended March 31, 2023 and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the 'Act') and other relevant provisions of the Act.
Fund Raising Committee	The fund raising committee of our Board

Term	Description
Independent Director(s)	A non-executive and independent director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations as at the date of this Preliminary Placement Document
Interim Chief Financial Officer	The Interim Chief Financial Officer of our Company, being Mukesh Kamath
Joint Venture	Joint venture of the Company being, Neo Biocon FZ LLC, Dubai
Key Management Personnel	Key management personnel of our Company as disclosed in "*Board of Directors and Senior Management*" on page 426
Managing Director and CEO	The Managing Director and CEO of our Company, being Siddharth Mittal
Material Subsidiary	The material subsidiaries of the Company, identified in accordance with SEBI Listing Regulations, namely: (i) Biocon Biologics Limited, India; (ii) Syngene International Limited, India; (iii) Biocon Biologics UK Limited, United Kingdom; (iv) Biocon Biologics Inc., USA; (v) Biosimilar Collaborations Ireland Limited, Ireland; and (vi) Biosimilars Newco Limited, United Kingdom.
"Memorandum" or "Memorandum of Association"	Memorandum of association of our Company, as amended
Nodal Officer	Nodal Officer of our Company in relation to the Issue, being Mukesh Kamath
Nomination and Remuneration Committee	Nomination and remuneration committee of our Company as disclosed in "*Board of Directors and Senior Management*" on page 426
Promoters	The promoters of our Company namely, Kiran Mazumdar-Shaw and Glentec International
Promoter Group	The individuals and entities constituting the promoter group of our Company as determined in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations
Registered and Corporate Office	The registered and corporate office of our Company located at 20th KM, Hosur Road, Electronic City, Bangalore, Karnataka – 560 100, India
Risk Management Committee	Risk management committee of our Company as disclosed in "*Board of Directors and Senior Management*" on page 426
RSU 2020	Biocon Restricted Stock Unit (RSUs) Long-Term Incentive Plan FY 2020–24
RSU 2025	Biocon Restricted Stock Unit (RSUs) Long Term Incentive Plan FY 2025-29
Senior Management	The members of the senior management of our Company in accordance with Regulation 2 (1) (bbbb) of the SEBI ICDR Regulations and as disclosed in "*Board of Directors and Senior Management*" on page 426
Shareholders	Equity shareholders of our Company, from time to time
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Company as disclosed in "*Board of Directors and Senior Management*" on page 426
Statutory Auditors	The current statutory auditors of our Company, namely, B S R & Co. LLP, Chartered Accountants
Subsidiaries	Subsidiaries of the Company, being: (i) Syngene International Limited (ii) Biocon Biologics Limited (iii) Biocon Pharma Limited (iv) Biocon Academy (v) Biocon SA (vi) Biocon SDN BHD (vii) Biocon FZ LLC (viii) Biocon Biologics UK Limited (ix) Biocon Pharma Inc. (x) Biocon Biologics Healthcare Malaysia SDN. BHD (xi) Biocon Pharma Ireland Limited (xii) Biocon Pharma UK Limited (xiii) Biocon Biosphere Limited (xiv) Biocon Biologics Inc. (xv) Biocon Biologics Do Brasil LTDA (xvi) Biocon Biologics FZ-LLC (xvii) Biocon Pharma Malta Limited (xviii) Biocon Pharma Malta I Limited (xix) Syngene USA Inc. (xx) Syngene Manufacturing Solutions Limited (xxi) Syngene Scientific Solutions Limited (xxii) Biosimilar Collaborations Ireland Limited (xxiii) Biosimilars Newco Limited (xxiv) Biocon Biologics Canada Inc. (xxv) Biocon Biologics Germany GmbH (xxvi) Biocon Biologics France S.A.S (xxvii) Biocon Biologics Spain, S.L.U (xxviii) Biocon Biologics Switzerland AG

Term	Description
	(xxix) Biocon Biologics Belgium BV (xxx) Biocon Biologics Finland OY (xxxi) Biocon Generics Inc. (xxxii) Biocon Biologics Morocco S.A.R.L.A.U (xxxiii) Biocon Biologics Greece Single Member P.C (xxxiv) Biocon Biologics South Africa (PTY) Ltd (xxxv) Biocon Biologics (Thailand) Co. Ltd (xxxvi) Biocon Biologics Philippines Inc (xxxvii) Biocon Biologics Italy S.R.L (xxxviii) Biocon Biologics Croatia LLC (xxxix) Biocon Biologics Global PLC

Issue related terms

Term	Description
"Allocated" or "Allocation"	Allocation of Equity Shares, in consultation with the Book Running Lead Manager, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms submitted by them, in compliance with Chapter VI of the SEBI ICDR Regulations
"Allotment" or "Allotted"	Allotment and issue of Equity Shares pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares of our Company are issued pursuant to the Issue
Application Form	Form (including any revisions thereof) which will be submitted by the Eligible QIBs for registering a Bid in the Issue
Bid(s)	Indication of an Eligible QIB's interest including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue. The term "Bidding" shall be construed accordingly
Bid Amount	The price per Equity Share indicated in the Bid multiplied by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form
Bidder(s)	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form
"Book Running Lead Managers" or "BRLM" or "Lead Managers"	Kotak Mahindra Capital Company Limited, Goldman Sachs (India) Securities Private Limited and BofA Securities India Limited
BSE	BSE Limited
"CAN" or "Confirmation of Allocation Note"	Note, advice or intimation confirming the Allocation of Equity Shares to Successful Bidders confirming Allocation of Equity Shares to such Successful Bidders after determination of the Issue Price
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about [●], 2025
Designated Date	The date of credit of Equity Shares pursuant to the Issue to the Allottees' demat accounts, as applicable to the relevant Allottees
Eligible FPIs	FPIs under FEMA, the SEBI FPI Regulations and any other applicable law that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible QIBs	QIBs, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations. In relation to the Issue, this term shall consist of (i) QIBs which are resident in India; and (ii) Eligible FPIs. However, FVCIs are not permitted to participate in the Issue.
Escrow Account	Special non-interest bearing, no-lien, current bank account without any cheque or overdraft facilities, opened with the Escrow Bank, subject to the terms of the Escrow Agreement
Escrow Bank	Kotak Mahindra Bank Limited
Escrow Agreement	Agreement dated June 16, 2025, entered into by and amongst our Company, the Escrow Bank and the Book Running Lead Manager for collection of the Bid Amount and remitting refunds, if any, of the amounts collected, to the Bidders
Floor Price	Floor price of ₹ 340.20, for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the special resolution of our Shareholders passed by way of postal ballot on June 4, 2025, and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Fraudulent Borrower(s)	An entity or person categorised as a fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(lll) of the SEBI ICDR Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018, as amended
Independent Chartered Accountant	Bashetty & Joshi, Chartered Accountants (Firm Registration Number: 013299S)
Issue	The offer, issue and Allotment of up to [●] Equity Shares to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder

Term	Description
Issue Closing Date	[●], the date after which our Company (or Book Running Lead Manager on behalf of our Company) shall cease acceptance of Application Forms and the Bid Amount
Issue Opening Date	June 16, 2025, the date on which our Company (or the Book Running Lead Manager on behalf of our Company) shall commence acceptance of the Application Forms and the Bid Amount
Issue Period	Period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids along with the Bid Amount
Issue Price	A price per Equity Share of ₹ [●]
Issue Size	The Issue of [●] Equity Shares aggregating up to ₹ [●] million
Monitoring Agency	India Ratings and Research Private Limited
Monitoring Agency Agreement	Agreement dated June 16, 2025 entered into by and amongst our Company and the Monitoring Agency.
Mutual Fund	A mutual fund registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue
NSE	National Stock Exchange of India Limited
Placement Agreement	Placement agreement dated June 16, 2025 entered into by and among our Company and the Book Running Lead Managers
Placement Document	Placement document to be issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules made thereunder
Preliminary Placement Document	This preliminary placement document along with the Application Form, dated June 16, 2025, issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules made thereunder
"QIB" or "Qualified Institutional Buyer"	Qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement under Chapter VI of the SEBI ICDR Regulations and Section 42 and applicable provisions of the Companies Act, 2013 read with the applicable rules of the PAS Rules
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Bid Amount submitted by such Bidder pursuant to the Issue
Refund Intimation	The intimation from our Company to relevant Bidders confirming refund of the Refund Amount to their respective bank accounts
Relevant Date	June 16, 2025 which is the date of the meeting in which the Fund Raising Committee decided to open the Issue
Stock Exchanges	BSE and NSE
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Bid Amount and who will be Allocated Equity Shares in the Issue
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorized or obligated by law to remain closed in Mumbai, India.

Business and industry related terms

Term	Description
AAEC	Adverse effect on competition
Anti-Corruption Laws	The FCPA, the Prevention of Corruption Act, 1988 and other similar regulations
ANVISA	The Brazilian Health Regulatory Agency
APAC	Asia Pacific
API	Active pharmaceutical ingredient
Bribery Act	The United Kingdom Bribery Act of 2010
CAPA	Corrective and Preventive Action Plan
CCPS	Compulsorily Convertible Preference Shares
CDMO	Contract Development and Manufacturing Organization
CDSCO	The Central Drugs Standard Control Organization
CFO	Chief Financial Officer
cGMP	Current Good Manufacturing Practice
CGU	Cash Generating Unit
CMC	Chemistry, manufacturing and controls
CODM	Chief Operating Decision Maker
CoE	Center of Excellence
Commercialization	Value chain from R&D to manufacturing and ultimately, to the pricing, marketing, promoting, selling and distribution
COO	Chief Operating Officer

Term	Description
CRDMO	Contract Research, Development, and Manufacturing Organization
CRO	Contract Research Organization
CSR	Corporate Social Responsibility
DCGI	The Drugs Controller General of India
DCP	Decentralized procedure
DTA	Deferred tax assets
ECL	Expected Credit Loss
EGFR	Epidermal Growth Factor Receptor
EHS	Environment, Health and Safety
EMA	The European Medicines Agency
ESG	Environment, Social and Governance
ETR	Effective tax rate
EWT	Employee Welfare Trust
FCPA	The U.S. Foreign Corrupt Practices Act of 1977
FFS	Fee-for-Service
FTE	Full-Time Equivalent
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit and loss
GCP	Good Clinical Practices
GDP	Good Distribution Practices
GHG	Greenhouse gas
GLP-1	glucagon-like peptide-1 receptor agonist
Gratuity Plan	A defined benefit plan covering the eligible employees of the Company and its Indian subsidiaries
GSP	Good Storage Practices
GVP	Good Pharmacovigilance Practices
HPAPIs	High potent APIs
ICH	International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use
IP	Intellectual Property
IPR	Intellectual Property Rights
IRA	The United States' Inflation Reduction Act
KL	Kilo liters
kVA	Kilo-volt-amperes
LBPs	Live Biotherapeutic Products
mAbs	Monoclonal Antibodies
MAT	Minimum Alternate Tax
MHRA	The Medicines and Healthcare Products Regulatory Agency
mRNA	Messenger ribonucleic acid
MT	Metric tonnes
MWh	Megawatt per hour
NCI	Non-controlling interests
OCI	Other comprehensive income
R&D	Research and Development
ROU	Right-of-use asset
S&P	Standard & Poor's
Sanctions	Economic sanctions programs, including those administered by the United Nations, the European Union and the U.S. Department of the Treasury's Office of Foreign Assets Control
STT	Securities Transaction Tax
TSA	Transition Support Agreement
U.S. FDA	The United States Food and Drug Administration
U.S. or USA	The United States
UAE	The Uni Arab Emirates
UK	The United Kingdom

Conventional and general terms/ abbreviations

Term	Description
₹/Rupees/INR/Rs.	Indian Rupees
AGM	Annual general meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate identity number
"Civil Procedure Code" or "CPC"	The Code of Civil Procedure, 1908
Companies Act, 1956	The erstwhile Companies Act, 1956 and the rules made thereunder
Companies Act, 2013	The Companies Act, 2013 and the rules made thereunder
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996
Depository Participant	A depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade
EBITDA	Sum of Profit before tax, share of profit/(loss) of joint venture and associates and exceptional items, finance costs and depreciation and amortisation expense
EBITDA Margin	EBITDA expressed as a percentage of total income
EGM	Extraordinary general meeting
EPS	Earnings per share
FBIL	Financial Benchmarks India Private Limited
FDI	Foreign direct investment
FDI Policy	Consolidated FDI policy issued by the Department for Promotion of Industry and Internal Trade Ministry of Commerce and Industry, Government of India, with effect from October 15, 2020
FEMA	The Foreign Exchange Management Act, 1999 and the regulations issued thereunder
FEMA Rules	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019
"Financial Year" or "Fiscal Year(s)" or "Fiscal"	Period of 12 months ended March 31 of that particular year, unless otherwise stated
Form PAS-4	Form PAS-4 as prescribed under the PAS Rules
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations
FVCI	Foreign venture capital investors as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 and registered with SEBI thereunder
FY	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross domestic product
GoI or Government or Central Government	Government of India, unless otherwise specified
GST	Goods and services tax
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act	The Income Tax Act, 1961
Inventory turnover ratio	The cost of material consumed plus purchases of stock-in-trade plus changes in inventories of finished goods, work-in-progress and stock-in-trade, divided by average inventories
Ind AS	Indian accounting standards as per Companies (Indian Accounting Standards) Rules 2015, notified by the MCA under Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013
MCA	The Ministry of Corporate Affairs, Government of India
Net Worth	Net Worth is defined as the aggregate value of equity share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
PAN	Permanent account number
PAT	Profit After Tax
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
Return on Net Worth	Profit attributable to shareholders of the company divided by Net worth as of the respective fiscal year end, multiplied by 100.
Return on Equity or ROE	Profit for the year divided by equity as of the respective fiscal year end, multiplied by 100.

Term	Description
SCR (SECC) Regulations	The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018, as amended
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended
SEC	United States Securities and Exchange Commission
SFA	The Securities and Futures Act Chapter 289 of Singapore
Stock Exchanges	BSE and NSE
Total Borrowings	Total borrowings include current borrowings and non-current borrowings
UK	United Kingdom
"U.S.$" or "U.S. dollar" or "USD"	United States Dollar, the legal currency of the United States of America
"USA" or "U.S." or "United States"	The United States of America
U.S GAAP	Generally accepted accounting principles in the United States of America
U.S. Securities Act or Securities Act	The United States Securities Act of 1933, as amended
VCF	Venture capital fund
"Y-o-Y" or "YoY"	Year-over-Year

SUMMARY OF BUSINESS

OVERVIEW

Established in 1978, we are currently one of the leading global biopharmaceuticals companies based in India and have been at the forefront of providing quality and affordable medicines to patients globally across 120 countries (*Source: F&S Report*). Our global footprint spans through 11 manufacturing locations, five R&D facilities and 18 offices located across India, Malaysia, Thailand, the Philippines, UAE, Brazil, United States, Canada, the United Kingdom and various European countries such as Switzerland, Greece, France, Spain, Malta, Morocco, among others, on a consolidated basis as of March 31, 2025. We have also fostered a culture of innovation and invested strategically in research and development ("**R&D**") to develop strong end-to-end R&D capabilities by incorporating cutting-edge science and technology to build a diversified portfolio, which have brought us credibility as an innovation-led organization focused on providing affordable healthcare. Our end-to-end in-house R&D expertise spans drug discovery, preclinical and clinical research, and chemistry, manufacturing and controls ("**CMC**"), enabling us to navigate the entire value chain effectively.

We are amongst the world's top 15 companies in terms of biomanufacturing capacity in 2024 and among the top five biosimilars player in terms of revenue globally for Fiscal 2025 (*Source: F&S Report*) and ranked 9th among the top global biotech and biopharmaceuticals companies (based on 2024 rankings by Science Magazine).

We classify our business into three broad business segments: (i) Biosimilars, operated through our subsidiary Biocon Biologics Limited, (ii) Generics, operated through Biocon Limited, and (iii) Research, operated through our subsidiary Syngene International. Our three segments together create an end-to-end from-pipeline-to-production and from-discovery-to-commercial supplies, creating a multiplier effect on our business across the three segments. The following shows the total revenues from our three business segments for the years indicated:

Segment	**Fiscal year ended March 31,**					
	2025		**2024**		**2023**	
	(Rs. in millions)	*(%)*	*(Rs. in millions)*	*(%)*	*(Rs. in millions)*	*(%)*
Biosimilars	90,174	57.52%	88,242	58.39%	55,838	48.30%
Research	36,424	23.23%	34,886	23.09%	31,929	27.62%
Generics	30,175	19.25%	27,985	18.52%	27,644	23.91%
Novels*	-	-	-	-	192	0.17%
Inter segment revenue	(4,156)	-	(3,556)	-	(3,861)	-
Revenue from operations	**152,617**	**100.00%**	**147,557**	**100.00%**	**111,742**	**100.00%**

** Since December 2023, we have discontinued our business in relation to novels biologics that was operated through our investment in Bicara Therapeutics ("**Novels**").*

For further information of our organisational structure, please see "*Organisational Structure*".

Biosimilars

Our Biosimilars segment is housed in our subsidiary Biocon Biologics Limited ("**Biocon Biologics**"). Biocon Biologics is a fully vertically integrated global biosimilars player with a demonstrated track record of success across the entire value chain from R&D to manufacturing and ultimately, to the pricing, marketing, promoting, selling and distribution (collectively, "**Commercialization**") of biosimilars globally. Our focus has been on the diabetes, immunology, and oncology therapeutic areas, which are areas that dominate the global pharmaceutical market in terms of market share (*Source F&S Report*). We are also aiming to expand our offering to include products in ophthalmology and bone health.

In 2022, Biologics acquired the biosimilars business of our long-standing partner Viatris Inc. ("**Viatris**") and following the successful integration of the acquired business, our footprint spans over 120 countries and now has a direct, on-the-ground global commercial presence in 29 self-led markets, which include the U.S., Canada, European countries, including the top five European markets (Germany, France, UK, Spain, Italy), and eight other emerging market countries, as of March 31, 2025.

Biosimilars have rapidly emerged as a key component of the global biologics market, offering cost-effective alternatives to high-priced originator therapies across a broadening range of indications (*Source: F&S Report*). By providing comparable efficacy and safety, biosimilars are unlocking access to critical biologics for a wider patient population while introducing much-needed competition (*Source: F&S Report*). Biosimilars represent a growing opportunity with the market projected to grow at a CAGR of 24.0% from 2024 to 2029, reaching US$67 billion (₹5,745 billion) by 2029 (*Source: F&S Report*). Between 2024 and 2032, over 50 biologics are expected to lose patent protection and exclusivity, representing an opportunity of approximately US$260 billion (₹22 trillion) (*Source: F&S Report*).

Biocon Biologics is among the top five global biosimilars players by revenue globally as of Fiscal 2025, and emerged in 2024 as the third-largest supplier by biologic volume of both rh-Insulin and insulin glargine U100 worldwide (*Source: F&S Report*). Biocon Biologics has consistently focused on early entry across key markets, allowing us to achieve many "firsts" in the biosimilars industry (*Source: F&S Report*). This includes becoming the first company to get approval from the U.S. FDA for bTrastuzumab in 2017 (which made us to be the first Indian company to secure a biosimilar approval from the U.S. FDA), for bPegfilgrastim in 2018, for interchangeable bGlargine in 2021 and for interchangeable bAflibercept in 2024 (*Source: F&S Report*). As of May 2025, Biocon Biologics boasts one of the largest biosimilar pipelines with 10 products in various stages of development that addresses more than a US$130 billion (₹11 trillion) in market opportunity, in comparison to an industry average of around three products (*Source: F&S Report*).

Biocon Biologics operates through three manufacturing sites located in Johor (Malaysia) and Bengaluru (Karnataka), and it ranks among the world's top 15 companies in terms of biomanufacturing capacity in 2024 (*Source: F&S Report*). We have invested over US$1 billion (which is equivalent to ₹85,480 million) in research and development and approximately US$900 million (which is equivalent to ₹76,932 million) in building our manufacturing sites in India and Malaysia. Our site in Johor (Malaysia) is one of Asia's largest integrated insulin facilities that manufactures drug substances and drug products in vials, cartridges and insulin delivery devices. Furthermore, as of March 31, 2025, Biocon Biologics operated two R&D centres in India, and has more than 300 active patents and 380 scientists working in these centers.

Biocon Biologics aims to play an increasing role in shaping policies on biosimilars through participation and engagement with a number of forums, including, but not limited to, Association for Accessible Medicines, Biosimilars Forum (US), Medicines for Europe, US-India Chamber of Commerce and the Indian Pharmaceutical Alliance.

Generics

Our Generics business, which started with a fermentation-based, cholesterol lowering statin active pharmaceutical ingredient ("**API**"), currently comprises a growing portfolio of APIs as well as finished dosages. Currently, we have an API manufacturing capacity of 900MT and a formulations capacity of 880 million oral solid dosages, and we manufacture and serve the global demand for statin and immunosuppressant, among other products in our portfolio. We entered into generic formulations in 2013 with a strategy to forward integrate our in-house, complex and differentiated APIs and move up the value chain, further improving the reliability, quality and supply to customers and patients, having received more than 125 "Current Good Manufacturing Practice" ("**cGMP**") approvals from various international regulatory bodies as of March 31, 2025. We are now one of the key global suppliers of statin (therapeutic category: cardiovascular drugs) and immunosuppressant (therapeutic category: transplantation) APIs (*Source: F&S Report*).

As of March 31, 2025, we have built our Generic formulations portfolio that comprised more than 80 products and API pipeline comprised more than 75 products, spanning cardiovascular, anti-diabetics, obesity, immunosuppressants and specialty molecules. Across our portfolio of launched and pipeline generic products, 18 of these formulations correspond to the top 100 generic molecules globally by sales, and 17 are classified as blockbuster products, each exceeding US$1 billion (₹86 billion) in annual sales (*Source: F&S Report*). We received approval for our gLiraglutide glucagon-like peptide-1 receptor agonist ("**GLP-1**") in the UK in April 2024, we became one of the first companies to obtain approval for a generic GLP-1 Liraglutide medicine in the United Kingdom (*Source: F&S Report*). GLP-1s are among one of the fast-growing segments in the global pharmaceutical market with global sales expected to rise from US$11 billion (₹963 billion) in 2019 to US$144 billion (₹12,392 billion) by 2029 (*Source: F&S Report*), and we are an early mover in the space.

Our global commercial strategy for our Generics business involves direct selling, licensing and partnerships for market expansion. We have a wide presence in the U.S. with end-to-end control over APIs and Generic formulations. In Europe, we have adopted a dual strategy, with direct presence in key markets and strategic partnerships for wider market coverage. In emerging markets such as Latin America, Middle East, North Africa and Asia, we mainly leverage a collaborative business-to-business model. Six of our sites serve our Generics segment and had a combined API

manufacturing capacity of 900MT and a formulations capacity of 880 million oral solid dosages, as of March 31, 2025, allowing us to serve the global demand for statin and immunosuppressant, among other products in our portfolio.

Research

We provide research services principally through our subsidiary Syngene International Limited ("**Syngene**"). Syngene is a one-stop Contract Research, Development, and Manufacturing Organization ("**CRDMO**") platform that offers a broad range of scientific services from the earliest stages of discovery to commercial supplies. Although its primary focus is on the pharmaceutical sector, Syngene also collaborates with companies in nutrition, animal health, consumer products, and specialty chemicals. Syngene provides end-to-end services as a Contract Research Organization ("**CRO**") and Contract Development and Manufacturing Organization ("**CDMO**") for large and small molecules. Syngene offers different collaboration models ranging from long-term relationships with dedicated R&D facilities to Full-Time Equivalent ("**FTE**") and Fee-for-Service ("**FFS**") arrangements.

As of March 31, 2025, Syngene had a team of more than 5,600 scientists, catering to around 400 active clients, including 14 of the top 20 pharmaceutical companies in terms of sales (*Source: F&S Report*). The number of active clients group under Syngene is approximately 400 in Fiscal 2025, which has increased by more than 50% as compared to Fiscal 2016.

Syngene exemplifies a model of integrated, scalable, and globally compliant service in the research services industry with an installed bioreactor capacity of over 50KL as of March 31, 2025, being one of the most-scaled in India (*Source: F&S Report*). Syngene has dedicated research facilities for marquee clients along with more than 2.5 million square feet of specialist discovery, development and manufacturing sites located in Bengaluru (Karnataka), Mangaluru (Karnataka), Hyderabad (Telangana), along with international presence through the recently acquired biologics facility located in Baltimore (United States of America). Syngene's multi-functional infrastructure facilities with a global footprint provide for a mix of on-shore and off-shore presence with a track record of regulatory compliance, supported by approvals from key global health authorities.

COMPETITIVE STRENGTHS

The following are our key strengths that enable us to compete in our principal markets:

One of the leading global biopharmaceutical player companies with many industry "firsts" across businesses

We started in the Biosimilars business in the early 2000s and in 2019, spun out our Biosimilars segment as our subsidiary under Biocon Biologics Limited. As an early entrant in the biosimilars industry, we enjoy an advantage over our competitors as a result of the high barriers of entry due to the expertise and R&D required for this industry and the manufacturing investments required to develop and secure approvals for biosimilars companies. We are among the top five global biosimilars players by revenue globally as of Fiscal 2025, and emerged in 2024 as the third-largest supplier by biologic volume of both rh-Insulin and insulin glargine U100 worldwide (*Source: F&S Report*).

In the course of our business, we have consistently focused on early entry across key markets, allowing us to achieve many "firsts" in the biosimilars industry, including (*Source: F&S Report*):

Calendar Year	Product
2004	First company globally to develop and commercialize bHuman Insulin.
2014	Launched the world's first biosimilar bTrastuzumab in India.
2016	The first company from India to have a biosimilar approved in Japan.
2017-2024	The first company to get approval from the U.S. FDA for bTrastuzumab in 2017, for bPegfilgrastim in 2018, for interchangeable bGlargine in 2021 and for interchangeable bAflibercept in 2024.
2024	Receipt of one of the first approvals for a generic GLP-1 Liraglutide medicine in the United Kingdom.

In 2022, we acquired the biosimilars business of our long-standing partner, Viatris, to create a fully integrated player with end-to-end capabilities. This allowed us to further expand our global reach, increasing our business footprint to more than 120 countries as of March 31, 2025. As of March 31, 2025, we had a comprehensive portfolio of 20 biosimilars, with applications across a diverse array of specialties including immunology, oncology, diabetes, ophthalmology and bone health, with 10 approved products in global markets and 10 more products in the pipeline, addressing more than a US$130 billion (₹11 trillion) in market opportunity (*Source: F&S Report*). Among our biosimilar products, four of them have revenues averaging over US$200 million in Fiscal 2025 (which is equivalent to ₹17,116 million), with further potential for growth. Through the acquisition of Viatris' biosimilars business, we have emerged as one the few companies in the biosimilars industry with laboratory to market capabilities and a combination of both in-house developed Monoclonal Antibodies ("**mAbs**") and insulins.

In our Generics business, we have received approvals for our GLP-1 Liraglutide in the UK in April 2024, making us one of the first companies to obtain approval for a generic GLP-1 medicine in the United Kingdom (*Source: F&S Report*). As of March 31, 2025, our Generic formulations portfolio comprised more than 80 products and API pipeline comprised more than 75 products, spanning cardiovascular, anti-diabetics, obesity, immunosuppressants and specialty molecules.

Across our portfolio of launched and pipeline generic products, 18 of these formulations correspond to the top 100 generic molecules globally by sales, and 17 are classified as blockbuster products, each exceeding US$1 billion (₹86 billion) in annual sales (*Source: F&S Report*).

In our Research business, through our listed subsidiary, Syngene International, we are one of the most scaled CRDMO players in India (*Source: F&S Report*), with a three-pronged strategy across diversified platforms encompassing research services, large molecule CDMO services and small molecule CDMO services. It is a one-stop integrated, scalable, globally compliant platform for integrated drug discovery, development and manufacturing across modalities with an installed bioreactor capacity of over 50KL as of March 31, 2025, being one of the most-scaled in India (*Source: F&S Report*).

Furthermore, our Group Center of Excellence for Operational Excellence ("**Group CoE**") plays a pivotal role in driving consistent performance, innovation, and cultural transformation across our manufacturing value chain. Serving as a strategic enabler, the Group CoE supports assessments of routine operations while also pioneering breakthrough technologies that enhance quality systems, digital transformation and end-to-end operational efficiency. In Fiscal Year 2025, the Group CoE anchored enterprise-wide initiatives, ranging from Lean Six Sigma and 5S implementation to structured policy deployment and daily work management, creating a foundation for scalable excellence.

Comprehensive product portfolio and strong pipeline in strategically-focused therapeutic areas in the Biosimilars and Generics segments, including GLP-1, and an established presence across the complex fermentation value chain

With decades of experience, we have developed significant expertise in fermentation technology, large scale chromatography and synthetic chemistry. We have also expanded our product portfolio beyond fermentation and synthetic molecules to include peptides and high potent APIs. We have a broad and balanced portfolio of APIs across multiple segments, enabling us to address diverse therapeutic areas and meet unmet medical needs effectively. Our Generics and Biosimilars segments had collectively received more than 215 cGMP approvals from various international regulatory bodies and collectively had global reach in more than 120 countries including the U.S., Europe and emerging markets, as of March 31, 2025.

Nine of the biosimilars in our portfolio, including insulins and mAbs, have been commercialized globally, benefiting patients around the world. We also emerged in 2024 as the third-largest supplier by biologic volume of both rh-Insulin and insulin glargine U100 worldwide (*Source: F&S Report*). In addition to our existing product portfolio, we have a strong pipeline of late-stage and early-stage products in our Biosimilars segment, in strategically important therapeutic areas such as oncology, immunology and diabetes that have substantial commercial opportunities for biosimilars. These capabilities and focus have seen us successfully commercialize nine biosimilar globally, as at March 31, 2025. With the completion of the acquisition of Viatris' biosimilar business in 2022, our existing product portfolio and pipeline of products, we believe we are well positioned to capitalize on the growing market for Biosimilars globally.

In relation to our Generics business, our API business comprises a balanced pipeline of more than 75 products covering therapeutic areas like cardiovascular, anti-diabetics, weight management, immunosuppressants, oncology, neurology and a few specialty and niche molecules. We leverage our strengths in R&D and manufacturing technology platforms, especially fermentation, to develop complex and differentiated APIs. We serve the global demand for statins & immunosuppressant APIs. While our longstanding strengths lie in fermentation technology, large-scale chromatography, and synthetic chemistry, we have worked continuously to expand our capabilities further. This includes building a broad portfolio encompassing high potent APIs ("**HPAPIs**") and peptides especially GLP-1s, targeting diabetes and obesity. Peptides, particularly GLP-1s, is a key area of focus for us. The approval for our GLP-1 Liraglutide in the UK in April 2024 would allow us to capitalize on one of the fast-growing segments in the global pharmaceutical market with global sales expected to rise from US$11 billion (₹963 billion) in 2019 to US$144 billion (₹12,392 billion) by 2029 and a 21.7% CAGR expected increase in market size from 2024 to 2029 (*Source: F&S Report*).

One of the most scaled Indian Contract Research, Development, and Manufacturing Organizations ("CRDMOs") in terms of biologics manufacturing capacity as of March 31, 2025, with long-standing relationship with a diverse base of existing and new customers

We, through Syngene, provide end-to-end services as a CRO and CDMO for large and small molecules. We offer different collaboration models ranging from long-term relationships with dedicated R&D facilities to FTE and FFS arrangements. Syngene is one of the most scaled integrated Indian CRDMO in terms of biologics manufacturing capacity as of March 31, 2025 (*Source: F&S Report*).

In the small molecule segment, we provide preclinical development, API development, drug product development, and clinical and commercial supply manufacturing. We also support our broad customer base with drug filings with the U.S. FDA, EMA (Europe), PMDA (Japan) and other regulatory authorities. Our small molecule commercial manufacturing facility in Mangalore is U.S. FDA approved, allowing us to serve our customers in the small molecule segment.

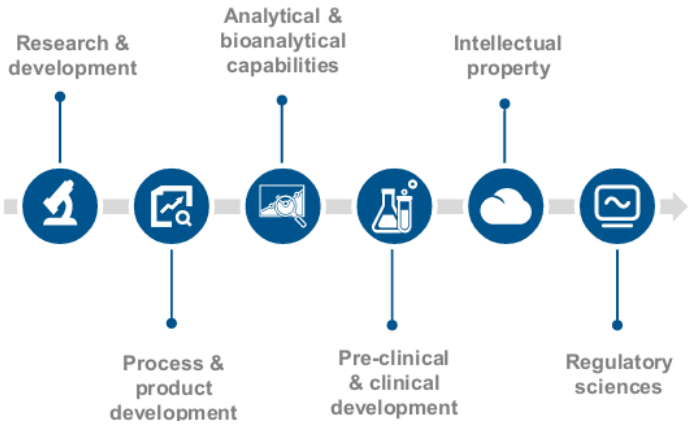
In the large molecule segment, we offer biologics development and manufacturing services to our customers with capabilities covering a range of platforms and products, such as monoclonal antibodies, bispecifics, recombinant proteins, mRNA, and microbiome Live Biotherapeutic Products ("**LBPs**"). The biologics manufacturing facilities are

equipped with single-use technologies and designed for multi-product campaigns, including support for long-term commercial production. This is designed to support clients during long-term commercial manufacturing campaigns.

We continue to expand our operational capacity and reach through acquisitions such as Unit - 3 in Bangalore (Karnataka) and the facility in Baltimore (Maryland, United States of America). This expansion ensures supply continuity across our integrated manufacturing sites in India and North America, supporting clinical and commercial programs in both human and animal health. As a result of the above, we possess the technical depth and requisite infrastructure required to serve both early-stage innovators and mature pharmaceutical companies (*Source: F&S Report*). The combination of scale, scientific talent and regulatory preparedness positions us as strategic beneficiaries of the shifting dynamics in global outsourcing (*Source: F&S Report*), and further allows us to be the partner of choice for our customer base.

R&D capabilities backed by cutting-edge science and technology

We have fostered a culture of innovation and invested strategically in R&D to develop strong end-to-end R&D capabilities by incorporating cutting-edge science and technology to build a diversified portfolio of Biosimilars and Generics, which have brought us credibility as an innovation-led organization focused on providing affordable healthcare. For example, we were the first to develop, manufacture, and launch novel biologics in India, namely an anti-EGFR mAb (Nimotuzumab) for head and neck cancer in 2006 and an anti-CD6 monoclonal antibody (Itolizumab) for psoriasis in 2013 (*Source: F&S Report*). The range of our R&D capabilities in our Generics and Biosimilars segments is as below:



Our R&D capabilities in our Research segment are showcased by Syngene to include early-stage research from target identification to delivery of drug candidates for further development. Our end-to-end in-house R&D expertise spans drug discovery, preclinical and clinical research, and chemistry, manufacturing and controls ("**CMC**"), enabling us to navigate the entire value chain effectively. As of March 31, 2025, Syngene had a team of more than 5,600 scientists, catering to around 400 clients including 14 of the top 20 pharmaceutical companies in terms of sales (*Source: F&S Report*). The number of active clients group under Syngene is approximately 400 in Fiscal 2025, which has increased by more than 50% as compared to Fiscal 2016. It also has dedicated research facilities for marquee clients along with more than 2.5 million square feet of specialist discovery, development and manufacturing sites in India.

On a consolidated basis, we had five R&D centres across our three business segments in India with three centres located in Bengaluru (Karnataka) and one each in Chennai (Tamil Nadu) and Hyderabad (Telangana) as of March 31, 2025. Our R&D efforts have led to more than 1,500 patents as of March 31, 2025. We have also achieved several firsts in the global biosimilars and generics space, for example, we were the first company to receive bTrastuzumab, bPegfilgrastim, interchangeable bAflibercept and interchangeable bGlargine approvals in the U.S (*Source: F&S Report*). We have further received approvals for our GLP-1 Liraglutide in the UK in April 2024, making us one of the first companies to obtain approval for a generic GLP-1 medicine in the United Kingdom (*Source: F&S Report*).

We have invested over US$1 billion (which is equivalent to ₹85,480 million) in particularly biosimilar research and aim to continue to invest significantly in our R&D capabilities to ensure a strong pipeline of candidate products, especially in strategically focused therapeutic areas, including oncology, immunology and diabetes and across multiple platforms. Our net research and development expenses were ₹8,585 million, which represented 7.13% of our revenue from operations in Fiscal 2025 (excluding revenue from operations of the Research business segment).

Furthermore, we had incubated Bicara Therapeutics ("**Bicara**"), a clinical-stage biopharmaceutical company committed to bringing transformative bifunctional therapies to patients with solid tumors. Bicara's lead program is ficerafusp alfa, a bifunctional antibody. As of the date of this Preliminary Placement Document, we hold a 10.1% stake in Bicara. Bicara has been listed in NASDAQ since September 2024.

Scaled manufacturing facilities with a consistent regulatory compliance track record

As of March 31, 2025, we had 11 manufacturing locations across our three business segments with four locations in Bengaluru (Karnataka), two locations in Visakhapatnam (Andhra Pradesh), and one each in Hyderabad (Telangana), Mangaluru (Karnataka), Cranbury (New Jersey, United States of America), Baltimore (Maryland, United States of America) and Johor (Malaysia).

Biocon Biologics' facilities are located at three sites, i.e. two in Bengaluru (Karnataka) and one in Johor (Malaysia),and these had a combined drug substance capacity of more than 300KL for drugs and more than 100 million units of drug products (across vials, cartridges, pens and pre-filled syringes)as of March 31, 2025, placing it among the world's top 15 companies in terms of biomanufacturing capacity in 2024 and among the leading insulin producers worldwide (*Source: F&S Report*). Our site in Johor (Malaysia) is one of Asia's largest integrated insulin facilities that manufactures drug substances and drug products in vials, cartridges and insulin delivery services.

We have built internationally compliant, global-scale manufacturing capabilities that produce small and large molecule therapeutic products to meet global healthcare needs reliably and efficiently. We use our long-standing expertise in fermentation and recombinant DNA technology and in differentiated technology platforms to manufacture complex small molecule APIs, generic formulations, biosimilars and novel biologics.

We leverage vertical integration, process optimization, lean manufacturing principles, and data analytics to boost productivity, reduce cycle times, and optimize resource allocation. Through digitalizing our operations, we have improved data management practices, increased use of automation in various processes and converted from paper to digital records, all which has facilitated cost advantages and given us a competitive edge, enabling us to multiply the positive impact by providing quality products at price points that are affordable and consequently accessible to patients.

We have established quality management systems, adhere to cGMP, and embed control measures in every stage of our manufacturing process to ensure compliance with all applicable laws and regulations in our manufacturing activities. As a result, our manufacturing sites are also qualified by and have obtained certifications from respective regulatory agencies in both advanced and emerging markets, including the U.S. FDA, the EMA (Europe), PMDA (Japan), Health Canada, TGA (Australia), COFEPRIS (Mexico), ANVISA (Brazil) and NPRA (Malaysia), to name a few. For further information on such qualifications and certifications, please see "*Business—Research and Development—Quality Control*".

Global presence using a combination of direct presence and strategic partnerships

We operate through 11 manufacturing locations, five R&D facilities and 18 offices located across India, Malaysia, Thailand, the Philippines, UAE, Brazil, United States, Canada, the United Kingdom and various European countries such as Switzerland, Greece, France, Spain, Malta, Morocco, among others, on a consolidated basis as of March 31, 2025. In addition, we have built global capabilities in key geographies in the U.S., Canada, United Kingdom, Europe, Japan, Australia, New Zealand ("**Advanced Markets**") and over 80 other markets excluding the Advanced Markets ("**Emerging Markets**"), and we collaborate with a network of partners and distributors to commercialize our products globally.

With the integration of Viatris' biosimilars business by Biocon Biologics, we strengthened the commercial footprint of our Biosimilars business across more than 120 countries as of March 31, 2025, through a direct presence in 29 markets, i.e., the United States, Canada, 19 markets in Europe and eight key Emerging Market countries, namely UAE, Saudi

Arabia, Morocco, South Africa, Brazil, Malaysia, Thailand and the Philippines. Outside of these 29 markets, we operate through a network of strategic partners and distributors.

We have also adopted a dual strategy for our Generics business with a direct presence in key markets and strategic partnerships for wider coverage in markets including Europe. This involves direct selling, licensing and partnerships for market expansion. We have a wide presence in the U.S. with end-to-end control over APIs and Generic formulations. In Europe, we have adopted a dual strategy, with direct presence in key markets and strategic partnerships for wider market coverage. In emerging markets such as Latin America, Middle East, North Africa and Asia, we mainly leverage a collaborative business-to-business model. As a result, our generic APIs and formulations are sold to customers in more than 60 countries as of March 31, 2025. We also collaborate with global customers for technology transfer, API supply, and finished dosage formulations through licensing arrangements.

Robust financial performance, providing clear visibility on future growth

We have demonstrated consistent improvement in our financial metrics over the last three Fiscals, as shown by the selected financial metrics and sales data below:

Particulars	Fiscal year ended March 31,		
	2025	2024	2023
	(₹ in millions unless otherwise indicated)		
Key Financial Metrics			
Revenue from operations	152,617	147,557	111,742
Sale of products	115,378	105,880	76,445
Contract research and manufacturing services income	34,802	34,150	30,839
Licensing and development fees and other operating revenue	2,437	7,527	4,458
Total income	164,699	156,212	115,501
Profit before tax, share of profit/(loss) of joint venture and associates and exceptional items	17,901	16,210	13,555
Profit for the year	14,294	12,978	6,430
Profit attributable to shareholders of the Company	10,133	10,225	4,627
Total Equity	277,125	252,748	224,888
EBITDA[(1)]	43,745	41,642	28,876
EBITDA Margin (%)[(2)]	26.56%	26.66%	25.00%
ROE[(3)] (%)	5.16%	5.13%	2.86%
Net worth[(4)]	201,870	187,878	171,898
Return on net worth (%)[(5)]	5.02%	5.44%	2.69%

Notes:

(1) *EBITDA has been calculated as a sum of Profit before tax, share of profit/(loss) of joint venture and associates and exceptional items, finance costs and depreciation and amortisation expense.*

(2) *EBITDA Margin (%) is EBITDA expressed as a percentage of total income.*

(3) *ROE is calculated as profit for the year divided by closing equity as of the respective fiscal year end, multiplied by 100.*

(4) Net Worth is defined as the aggregate value of the equity share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

(5) Return on net worth is calculated as profit attributable to shareholders of the company divided by net worth as of the respective fiscal year end, multiplied by 100.

Our consolidated revenue from operations increased from ₹111,742 million in Fiscal 2023 to ₹152,617 million in Fiscal 2025, representing a CAGR of 16.9%, while our profit for the year increased from ₹6,430 million in Fiscal 2023 to ₹14,294 million in Fiscal 2025, representing a CAGR of 49.1%. Furthermore, our EBITDA improved from ₹28,876 million in Fiscal 2023 to ₹43,745 million in Fiscal 2025, representing a CAGR of 23.1% and our return on net worth improved from 2.69% in Fiscal 2023 to 5.02% in Fiscal 2025.

Our growth and financial performance is due principally to: (i) increased sale of our products as a result of our expanding global geographical footprint globally, (ii) a clean track record of regulatory compliance across our manufacturing sites, and (iii) our continued investments in R&D.

Experienced leadership team with robust execution capabilities and in-depth industry knowledge

Our management team has a wealth of industry experience and multidisciplinary knowledge and is fully committed to the growth and continued success of our business. For further details regarding our management team, including the industry experience of our other Key Managerial Personnel and Senior Management Personnel, please refer to "*Board of Directors and Senior Management*" on page 426. Our Board of Directors (the "**Board**") comprises 9 individuals with a mix of business and academic experience. The average tenure of our Board for non-independent directors was 19.9 years and that of independent directors was 2.8 years, as of March 31, 2025. This longevity also contributes to operational stability and ensures that institutional knowledge and corporate culture are maintained over time. To support the global

scale of our operations, members of our Board include individuals based outside India, including in the U.S., Canada and the United Kingdom. Five of the Board are independent and three are women, including our Executive Chairperson and founder, Ms Kiran Mazumdar-Shaw.

Ms Mazumdar-Shaw is a pioneer of the biotechnology industry in India and is ranked among the "World's 25 Most Influential People in Biopharma (2014)" by Fierce Biotech and Forbes magazine's "World's 100 Most Powerful Women." She holds key positions in various industry, educational, government and professional bodies at both national and international levels. She is a member of the high-level expert committee constituted by the Department of Biotechnology, which reviews the autonomous organizations under the administrative control of the department. She is also a member of the National Academy of Engineering and has been elected as a full-term member of The MIT Corporation, U.S. Ms Mazumdar-Shaw is also the proud recipient of two of India's highest civilian honors, the Padma Shri (1989) and the Padma Bhushan (2005). She was honoured with the Order of Australia, Australia's highest civilian honor, in January 2020. In 2016, she was conferred with the highest French distinction, Knight of the Legion of Honour. She also serves as the Honorary Consul General of Ireland in Bengaluru.

In addition, our Managing Director and Chief Executive Officer, Siddharth Mittal, the Managing Director and Chief Executive Officer of Biocon Biologics, Shreehas Tambe, and the Managing Director and Chief Executive Officer of Syngene, Peter Bains, are key members of our senior management team, who combined bring decades of leadership expertise in finance, business strategy, strategic planning, operations and business developments for our Company.

STRATEGIES

Launch new products, extend geographic reach of our products, increase cross-selling to existing clients while adding new clients in order to drive growth

We continue to seek to increase our market share and strengthen our position as a global biopharmaceutical company. For example, in the fourth quarter of 2024, our market shares in the United States for Pegfilgrastim, Trastuzumab and insulin Glargine U100 are 30%, 25% and 11%, respectively (*Source: F&S Report*). In several key European geographies as well, we have secured double-digit biologic volume market shares, including 42% for Bevacizumab in Italy, 18% for Adalimumab in Germany, and 14% for Pegfilgrastim in France (*Source: F&S Report*). We propose to achieve further increase in our market shares by expanding the breadth and depth of our reach through: (i) increased market shares for existing products and geographies through greater market access coverage, more customer and tender wins and greater prescriber adoption of our products; (ii) new products in existing geographies; and (iii) new products in new geographies.

As of March 31, 2025, we have four new products planned to be launched in our Biosimilars business over the next 12 to 18 months and a robust pipeline of an additional 10 products under development.

Furthermore, in the Generics business, the GLP-1 products represent near-term and long-term opportunities. We have received approvals for our GLP-1 Liraglutide in the UK in April 2024, making us one of the first companies to obtain approval for a generic GLP-1 medicine in the United Kingdom (*Source: F&S Report*). GLP-1s are among one of the fast-growing segments in the global pharmaceutical market with global sales expected to rise from US$11 billion (₹963 billion) in 2019 to US$144 billion (₹12,392 billion) by 2029 and a 21.7% CAGR expected increase in market size from 2024 to 2029, reflecting strong uptake driven by increasing obesity prevalence, superior clinical outcomes, and growing physician and patient awareness (*Source: F&S Report*). We aim to launch GLP-1 products in Europe and the United States, with approval in the United States expected to be in the Fiscal 2026. During Fiscal 2025, our Generics business segment had also made 108 formulation filings and received 50 approvals for our drug products across the U.S., EU, the U.K. and other markets, which includes U.S. FDA approvals for Micafungin injection, Sacubitril + Valsartan tablets, Daptomycin injection, Lenalidomide capsules, Dasatinib tablets, Triamterne capsules, Everolimus tablets as prophylaxis of organ rejection and Norepinephrine Bitartrate injection.

In addition, Syngene's acquisition of its new facility in Baltimore (Maryland, United States of America) that is fitted with mAbs manufacturing lines is aimed to expand our global biologics footprint. With rising demand for our products and several new launches planned, we seek to accelerate growth over the medium term as we leverage our end-to-end capabilities to introduce and commercialize our new and evolving portfolio of products.

Further strengthen our R&D capabilities

We intend to continue to strengthen our R&D capabilities by investing in our R&D efforts. As an integrated biomanufacturing company, our capabilities span the entire drug development lifecycle, from discovery and preclinical research to clinical trials and CMC, enabling us to operate with agility, reduce development timelines, and respond swiftly to evolving medical needs. Our expertise spans from mammalian and microbial-based solutions for clinical to commercial supply needs, with specialised experience in monoclonal antibodies, bispecifics, antibody fragments, recombinant proteins, glycoproteins, mRNA, and microbiome LBPs, and we believe that such diverse and established platform will support our robust R&D pursuits. In the Generics business, we intend to continue to expand our portfolio of complex vertically integrated products such as peptides, particularly GLP-1, fermentation APIs, HPAPIs and

injectables. We aim to further strengthen our R&D capabilities by improving Syngene biologics brand. Syngene's recently acquired Unit - 3 in Bangalore (Karnataka) and its facility in Baltimore (Maryland, United States of America) would allow us to focus building a pipeline of projects that generate recurring revenue, while adding to our R&D team's experience that potentially may allow us to reduce costs, increase and optimize yields and efficiency, and become more sustainable or reduce costs in our future production efforts.

For Biosimilars, we remain focused on leveraging our vertically integrated model to accelerate growth for existing products while also preparing for new product launches. We are progressing the products in our pipeline and investing in next generation processes and technology to drive the next phase of growth. These include sub-cutaneous technology and more advanced drug delivery devices.

Our net research and development expenses were ₹8,585 million, which represented 7.13% of our revenue from operations in Fiscal 2025 (excluding revenue from operations of the Research business segment). We expect to similarly prioritise our R&D spend in Fiscal 2026, both for Generics as well as for Biosimilars.

We also aim to enter into strategic collaborations for increased speed and cost competitiveness in drug discovery. We are also in the process of developing peptide building blocks including protected amino acids that will allow backward integration and to achieve cost efficiency in peptide manufacturing. We further propose to partner with global academia and industry practitioners to build value and visibility for our portfolio. An example of one such academic collaboration is a collaboration on new technologies in the Generics business.

Increase our manufacturing capacities to align with our business plans and evolving global opportunities across our business segments

As of March 31, 2025, we had 11 manufacturing locations across our three business segments with four locations in Bengaluru (Karnataka), two locations in Visakhapatnam (Andhra Pradesh), and one each in Hyderabad (Telangana), Mangaluru (Karnataka), Cranbury (New Jersey, United States of America), Baltimore (Maryland, United States of America) and Johor (Malaysia). With this, we are amongst the world's top 15 companies in terms of biomanufacturing capacity in 2024 and among the top five biosimilars player in terms of revenue globally for Fiscal 2025 (*Source: F&S Report*). We are also one of the key global suppliers of statin (therapeutic category: cardiovascular drugs) and immunosuppressant (therapeutic category: transplantation) APIs *(Source: F&S Report)*. Syngene, our subsidiary, representing the Research business segment is one of the most scaled Indian CRDMO in terms of biologics manufacturing capacity as of March 31, 2025 *(Source: F&S Report).*

We continuously aim to increase our manufacturing capacities to allow us to increase production of our products across our various business segments. In the Biosimilars segment, we have made progress in Fiscal Year 2025 on the Phase II expansion of our Malaysia site, which is expected to double our capacity for both drug substances and drug products once completed. In the Generics segment, we are augmenting our peptide and non-immuno fermentation capacities at Bangalore (Karnataka) as well as synthetic API capacities at Hyderabad (Telangana). We also expect to commission our injectables facility in Bangalore (Karnataka) to address our portfolio requirements of vials, cartridges, prefilled syringes, and drug-device combinations. In the Research business segment, Syngene had acquired a biologics facility in Baltimore (United States of America) in Fiscal 2025, thereby increasing our installed bioreactor capacity to over 50KL. Creating new facilities or expanding existing facilities will play a key role in servicing the increased demand we are witnessing for our products globally.

Leverage vertically integrated platforms, adopt new technologies and digital transformation to enhance operational efficiency

Given that we have full control of the value chain from lab-to-market, we intend to leverage economies of scale especially when it comes to integrated manufacturing operations and enabling infrastructure and functions (e.g., finance and human resources). We are also embracing digital tools and algorithms to drive insights and make decisions such as optimal inventory management, logistic routing, customer relationship management and global distribution more efficient. We intend to implement "digital twins" in our manufacturing sites to predict batch success, reduce raw material wastage thereby driving cost savings. We are implementing similar initiatives across the business value chain through various digital transformation initiatives that aim to enhance operational efficiency, maintain agility, reduce dependencies and drive cost savings.

Enhancing competitive market entry through intellectual property strength and strategic settlements

We aim to continue increasing our global presence and advantage from early market entry in the various business segments we operate by leveraging our in-house intellectual property ("**IP**") team's capabilities, including our ability to successfully navigate patent litigation with global originator companies and/or reach settlements. Our recent settlements exemplify this capability, namely (i) our recent patent disputes resolution relating to Ustekinumab that paved the way for launches in Europe, United Kingdom, Canada and Japan and (ii) our settlement in relation to Yesafili (Aflibercept) that enabled us to anticipate a launch into the United States as early as the second half of 2026. These highlights our

ability to navigate IP challenges and minimise litigation risks while fostering mutually beneficial agreements with global originator companies.

Selectively pursue strategic partnership and acquisitions

We will continue to augment our organic growth by pursuing selective acquisitions and strategic alliances that provide us access to better infrastructure, high-value technological and operational capabilities, industry knowledge, technology expertise and geographical reach and allow us to expand our product offerings and client base. We may consider select acquisition opportunities such as acquiring divisions of existing companies to selectively expand our product portfolio, provided such opportunities offer the synergies we seek and are available at competitive prices. We have done so in the past with (i) our acquisition of Viatris' biosimilars business, extending our footprint to span over 120 countries, as of March 31, 2025; (ii) our acquisitions of Unit - 3 in Bangalore (Karnataka) and the facility in Baltimore (Maryland, United States of America) that further enhanced our manufacturing capabilities for biologics in both human and animal health; and (iii) our acquisition of the oral solid dosage manufacturing site in Cranbury (New Jersey, United States of America) — all of which, proves our ability to pursue similar strategic partnerships and acquisitions.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including the sections titled "*Risk Factors*", "*Use of Proceeds*", "*Placement*", "*Issue Procedure*" and "*Description of the Equity Shares*" on pages 51, 85, 459, 443 and 479, respectively.

Issuer	Biocon Limited
Face Value	₹5 per Equity Share
Floor Price	₹ 340.20 per Equity Share, calculated in accordance Regulation 176 of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders of our Company accorded through their special resolution passed by way of postal ballot on June 4, 2025 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Price	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share)
Issue Size	Issue of up to [●] Equity Shares of face value of ₹5 each, at a premium of ₹ [●] each, aggregating up to approximately ₹ [●] million. A minimum of 10% of the Issue Size i.e., up to [●] Equity Shares, shall be available for Allocation to Mutual Funds only and the balance [●] Equity Shares will be available for Allocation to all Eligible QIBs, including Mutual Funds. In case of under-subscription in the portion available for allocation only to Mutual Funds, such minimum portion or part thereof may be Allotted to other Eligible QIBs.
Date of Board resolution	April 23, 2025
Date of Shareholders' resolution	Special resolution of our Shareholders passed by way of a postal ballot dated June 4, 2025.
Eligible Investors	Eligible QIBs as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, to whom this Preliminary Placement Document and the Application Form is circulated and who are eligible to Bid and participate in the Issue. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered shall be determined by our Company in consultation with the Book Running Lead Manager at its discretion. For further details, see "*Issue Procedure – Qualified Institutional Buyers*" "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 443, 461 and 470.
Dividend	See "*Description of the Equity Shares*" and "*Dividends*" on pages 479 and 98, respectively.
Equity Shares issued, subscribed, paid-up and outstanding immediately prior to the Issue	1,200,600,000 Equity Shares of face value of ₹ 5 each, being fully paid-up.
Equity Shares issued, subscribed, paid-up and outstanding immediately after the Issue	[●] Equity Shares
Issue Procedure	The Issue is being made only to Eligible QIBs in reliance on Section 42 of the Companies Act, 2013, read with rules made thereunder and Chapter VI of the SEBI ICDR Regulations. For further details, see "*Issue Procedure*" on page 443.
Listing and trading	Our Company has obtained in-principle approvals each dated June 16, 2025 in terms of Regulation 28(1)(a) of the SEBI Listing Regulations from the Stock Exchanges, for listing of the Equity Shares to be issued pursuant to the Issue. Our Company will make applications to each of the Stock Exchanges after Allotment to obtain final listing and trading approval for the Equity Shares after the Allotment and after the credit of the Equity Shares to the beneficiary account of the Depository Participant, respectively. The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges.
Lock-up	For details in relation to lock-up, see "*Placement – Lock-up*" on page 459 for a description of restrictions on our Company and Promoters in relation to the Equity Shares.
Proposed Allottees	See "*Proposed Allottees*" on page 505 for names of the proposed Allottees and the percentage of post-Issue capital that may be held by them in our Company.
Transferability restrictions	The Equity Shares to be issued pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the Stock Exchanges. For details in relation to other transfer restrictions, please see "*Transfer Restrictions*" on page 470.
Use of Proceeds	The issue proceeds from this Issue aggregates to approximately ₹ [●] million. Subject to compliance with applicable laws, the net proceeds from this Issue, after deducting fees, commissions and estimated expenses relating to this Issue of approximately ₹ [●] million, shall be ₹ [●] million.

	See "*Use of Proceeds*" on page 85 for information regarding the use of Net Proceeds from the Issue.	
Risk Factors	See "*Risk Factors*" on page 51 for a discussion of risks you should consider before investing in the Equity Shares issued under the Issue.	
Taxation	Please see the section titled "*Taxation*" on page 482.	
Closing Date	The Allotment of the Equity Shares pursuant to the Issue is expected to be made on or about [●], 2025	
Ranking	The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of voting rights and dividends. The holders of Equity Shares (who hold Equity Shares as on the applicable record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, the SEBI Listing Regulations and other applicable laws and regulations. Shareholders may attend and vote in Shareholders' meetings in accordance with the provisions of the Companies Act, 2013. For further details, see "*Dividends*" and "*Description of the Equity Shares*" on pages 98 and 479, respectively.	
Voting Rights	See "*Description of the Equity Shares – Voting Rights*" on page 480.	
Security codes for the Equity Shares	ISIN	INE376G01013
	BSE Scrip Code	532523
	NSE Symbol	BIOCON

SELECTED FINANCIAL INFORMATION

The following tables set out selected financial information derived from our Audited Consolidated Financial Statements. The following tables set forth our selected financial information and should be read together with the more detailed information contained in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Information*", on pages 359 and 99, respectively.

SUMMARY OF CONSOLIDATED BALANCE SHEET AS AT THE FINANCIAL YEARS ENDED MARCH 31, 2025, MARCH 31, 2024 AND MARCH 31, 2023

(₹ in million)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Assets			
Non-current assets			
Property, plant and equipment	87,082	74,181	72,769
Capital work-in-progress	41,017	39,852	25,875
Right-of-use assets	6,042	5,745	2,582
Goodwill	167,857	163,724	161,362
Other intangible assets	58,652	62,786	57,964
Intangible assets under development	44,067	40,081	47,295
Investment in associates and a joint venture	-	-	1,378
Financial assets			
Investments	6,797	6,841	6,045
Derivative assets	1,874	2,657	1,454
Other financial assets	683	1,466	10,830
Deferred tax assets, (net)	2,577	3,173	3,010
Income tax assets, (net)	3,706	4,129	3,543
Other non-current assets	4,757	4,280	2,981
Total non-current assets	**425,111**	**408,915**	**397,088**
Current assets			
Inventories	49,311	49,439	42,437
Financial assets			
Investments	4,473	3,156	13,265
Trade receivables	54,879	62,306	35,732
Cash and cash equivalents	32,271	12,336	13,235
Bank balances other than cash and cash equivalents	8,931	10,251	10,766
Derivative assets	964	1,384	704
Other financial assets	4,559	5,769	1,321
Other current assets	7,474	7,151	5,880
Total current assets	**162,862**	**151,792**	**123,340**
Total Assets	**587,973**	**560,707**	**520,428**
Equity and Liabilities			
Equity			
Equity Share capital	6,003	6,003	6,003
Other equity	210,437	191,834	172,666
Equity attributable to owners of the Company	**216,440**	**197,837**	**178,669**
Non-Controlling Interest	60,685	54,911	46,219
Total Equity	**277,125**	**252,748**	**224,888**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	124,054	129,324	152,905
Lease liabilities	5,391	4,924	2,091
Derivative liabilities	232	-	258
Other financial liabilities	28,282	10,725	46,195
Provisions	2,608	2,376	2,265
Deferred tax liability, (net)	3,577	3,915	3,818
Other non-current liabilities	3,366	3,107	2,901
Deferred tax liability, (net)	3,577	3,915	3,818
Total non-current liabilities	**167,510**	**154,371**	**210,433**
Current liabilities			
Financial liabilities			
Borrowings	53,501	27,972	24,802
Lease liabilities	674	547	390
Trade payables			
total outstanding dues of micro enterprises and small enterprises; and	1,315	958	1,491

total outstanding dues of creditors other than micro enterprises and small enterprises	64,172	61,762	36,929
Derivative liabilities	455	12	586
Other financial liabilities	9,326	50,005	6,079
Other current liabilities	10,248	7,768	11,094
Provisions	1,916	1,795	1,486
Current tax liabilities, (net)	1,731	2,769	2,250
Total current liabilities	**143,338**	**153,588**	**85,107**
Total Equity and Liabilities	**587,973**	**560,707**	**520,428**

SUMMARY STATEMENT OF PROFIT AND LOSS FOR THE FINANCIAL YEARS ENDED MARCH 31, 2025, MARCH 31, 2024 AND MARCH 31, 2023

(₹ in million, unless otherwise specified)

Particulars	For the financial years ended		
	March 31, 2025	March 31, 2024	March 31, 2023
Income			
Revenue from operations			
-Sale of products	115,378	105,880	76,445
-Sale of services	35,144	36,078	32,896
-Other operating revenue	2,095	5,599	2,401
Other income	12,082	8,655	3,759
Total income	**164,699**	**156,212**	**115,501**
Expenses			
a) Cost of materials consumed	42,767	50,719	31,911
b) Purchases of stock-in-trade	6,266	6,827	6,261
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,942	(8,567)	(1,541)
d) Employee benefits expense	31,444	26,641	21,810
e) Finance costs	8,974	9,744	4,190
f) Depreciation and amortisation expense	16,870	15,688	11,131
g) Other expenses	39,011	39,788	32,106
Less: Recovery of cost from co-development partners (net)	(1,476)	(838)	(3,922)
Total expenses	**146,798**	**140,002**	**101,946**
Profit before tax, share of profit/(loss) of joint venture and associates and exceptional items	**17,901**	**16,210**	**13,555**
Share of loss of joint venture and associates, (net)	-	(842)	(1,670)
Profit before exceptional items	**17,901**	**15,368**	**11,885**
Exceptional items, (net)	965	(116)	(2,914)
Profit before tax	**18,866**	**15,252**	**8,971**
Tax expense			
-Current tax	3,693	3,143	2,462
-Deferred tax (credit) / charge			
MAT credit written off/ utilisation (net of entitlements)	554	(774)	988
Other deferred tax	325	(95)	(909)
Total tax expense	**4,572**	**2,274**	**2,541**
Profit for the year	**14,294**	**12,978**	**6,430**
Other comprehensive income (OCI)			
(i) Items that will not be reclassified subsequently to profit or loss			
Re-measurement on defined benefit plans	(64)	(81)	38
Equity instruments through OCI	(84)	217	(460)
Income tax effect	(26)	30	24
(ii) Items that may be reclassified subsequently to profit or loss			

Effective portion of gains/ (losses) on hedging instrument in cash flow hedges	(1,622)	2,887	(1090)
Exchange difference on translation of foreign operations, including effective portion of net investment hedges	5,692	1,509	1975
Income tax effect	471	(695)	279
Other comprehensive income for the year, net of taxes	**4,367**	**3,867**	**766**
Total comprehensive income for the year	**18,661**	**16,845**	**7,196**
Profit attributable to:			
Shareholders of the Company	10,133	10,225	4,627
Non-controlling interest	4,161	2,753	1,803
Profit for the year	**14,294**	**12,978**	**6,430**
Other comprehensive income attributable to:			
Shareholders of the Company	3,563	2,688	1,138
Non-controlling interest	804	1,179	(372)
Other comprehensive income for the year	**4,367**	**3,867**	**766**
Total comprehensive income attributable to:			
Shareholders of the Company	13,696	12,913	5,765
Non-controlling interest	4,965	3,932	1,431
Total comprehensive income for the year	**18,661**	**16,845**	**7,196**
Earnings per share (Face value of Rs. 5 each)			
(a) Basic (Rs)	8.46	8.55	3.88
(b) Diluted (Rs)	8.46	8.54	3.87

SUMMARY STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEARS ENDED MARCH 31, 2025, MARCH 31, 2024 AND MARCH 31, 2023

(₹ in million)

Particulars	For the financial years ended		
	March 31, 2025	March 31, 2024	March 31, 2023
Profit for the year	14,294	12,978	6,430
Net cash flows generated from operating activities (A)	40,612	29,539	18,525
Net cash flows used in from investing activities (B)	(2,341)	(10,045)	(142,818)
Net cash flows (used in)/ generated from financing activities (C)	(18,540)	(23,327)	130,487
Net (decrease) / increase in cash and cash equivalents (A + B + C)	19,731	(3,833)	6,194
Cash and cash equivalents at the end of the year	29,238	9,195	12,948

RELATED PARTY TRANSACTIONS

For details of the related party transactions of our Company during (i) Fiscal 2025; (ii) Fiscal 2024; and (iii) Fiscals 2023, as per the requirements under IND AS 24 "*Related Party Disclosures*", as applicable and specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules 2015, as amended and as reported see "*Financial Information*" on page 99.

RISK FACTORS

An investment in equity shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Preliminary Placement Document, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, results of operations and financial condition could suffer, the trading price of and the value of your investment in, our Equity Shares could decline and you may lose all or part of your investment. Prospective investors in the Equity Shares should pay particular attention to the fact that we are subject to an extensive regulatory environment that may differ significantly from one jurisdiction to other.

In making an investment decision, you must rely on your own examination of us and our business and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences of investing in the Issue. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. You should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscals 2025, 2024 and 2023 included herein is derived from the Audited Consolidated Financial Statements, as included in this Preliminary Placement Document. For further information, see "Financial Information".

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Independent Market Research Report on Global Pharmaceutical, Active Ingredients, and Contract Service Market" dated June 2025 ("**F&S Report**") prepared and issued by Frost & Sullivan and commissioned and paid for by our Company in connection with the Issue. Unless otherwise indicated, all financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

INTERNAL RISK FACTORS

1. The complex regulatory approval process for the development of our products is a lengthy and expensive process with uncertain timelines and outcomes, which could materially and adversely impact our business, financial condition, and operations.

We need to undertake extensive preclinical and clinical trials of our products for obtaining requisite regulatory approvals to market and sell our products. The process for obtaining relevant governmental approvals, such as from the U.S. Food and Drug Administration ("**FDA**"), the European Medicines Agency ("**EMA**"), the Central Drugs Standard Control Organization ("**CDSCO**") and the Drugs Controller General of India ("**DCGI**"), to market our products is rigorous, time-consuming and costly. We may not be able to predict the extent to which this process may be affected by legislative and regulatory developments.

The results of preclinical studies and early clinical trials of our products may not be predictive of the results of later stage clinical trials. In addition, we may be part of development or manufacturing of drugs which may be found to be ineffective or may fail to achieve market acceptance or be precluded from commercialization by proprietary rights of third parties. In connection with such activities, we may be subject to contractual obligations or liabilities, including those relating to clinical trials or product liability, which, if triggered, could materially and adversely affect our business, financial condition, cash flows, and results of operations.

Further, clinical testing, in which people volunteer to test new treatments, is expensive and can take many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the clinical trial process, even with active ingredients that have previously been approved by various regulators, such as the U.S. FDA, EMA, CDSCO and DCGI, as safe and effective. Our third-party providers are conducting trials with targeted interventions which are of shorter duration and have fewer participants, avoiding unnecessary studies and repetitive data collection and thereby leading to lower costs and shorter duration of clinical development. For example, we received interchangeability approval for our bGlargine by the U.S. FDA based on the safety and efficacy of existing trial data, without conducting any additional trials. However, we cannot guarantee that there will not be any delay or any lost potential sales or revenues from these products due to the lost time before potential commercialization and potential changes in the competitive landscape by the time such products are commercialized, if they are commercialized at all. We may also need to restart clinical trials if there are upgrades to the originator products as

we conduct testing, leading to slower biosimilar development and would cause us to incur losses to our investments for such products. In addition, clinical trials are also inherently risky and unpredictable, as they can result in unintended adverse effects, including serious injury or death, among the participants. For example, in calendar year 2025, a subject in one of our subsidiary's clinical trials suffered a sudden demise. Subsequently, a criminal complaint was filed leading to investigation against such subsidiary. Any unintended side effects from our clinical trials may result in delays in our product development, liabilities from personal injury or loss of life, or fines or penalties from the relevant regulatory authorities.

While this has not occurred in the past three Fiscals as a result of to the above factors, our current products or any of our other future products may take a significantly longer time to receive regulatory approval than expected or may never receive regulatory approval, and consequently may adversely affect our business and financial condition. We may also suffer reputational harm from such delays or failures that could affect our business more broadly. Separately, our clinical trial is generally outsourced to third parties and not performed in-house. For further details on this risk, please see "*Risk Factors – We depend on third parties for clinical development and research activities, including animal testing, for our product development in the Generics and Biosimilars business segments, which exposes us to substantial risks that could materially affect our business, financial results, and product prospects*" on page 62.

2. **Our product manufacturing involves complex procedures and is highly regulated and subject to regulatory requirements, contractual obligations and inspections. Any shortcomings at our manufacturing facilities, such as any violation of applicable regulatory requirements or contractual obligations, may reduce sales and in turn, affect our business, financial condition and results of operations.**

Our product manufacturing process involves complex procedure and is highly regulated, susceptible to product recalls and subject to regulatory inspection. For instance, we are required to comply with requirements of the U.S. FDA, Health Canada, the U.K. Medicines, PMDA Japan and Healthcare products Regulatory Agency ("**MHRA**"), EMA, CDSCO, the Drug Control Authority in Malaysia and DGCI in India and other healthcare regulators with respect to the research, development, preclinical and clinical testing, manufacture, safety, effectiveness, record-keeping, reporting, storage, approval, labelling, sale, distribution, marketing, advertising, promotion, import and export of pharmaceutical products. In particular, we also have 11 manufacturing locations, out of which three are located outside India, namely in the United States and Malaysia. The applicable regulations are not uniform or consistent across jurisdictions in which we operate and are also dynamic and evolving, and we may be required to make changes in the manufacturing process in order to comply with any changes in the regulations.

In addition to complying with applicable domestic and international regulatory standards, we are also subject to contractual obligations with customers, which may include adherence to customer-specific quality standards, audit and inspection rights, and requirements for prior approval of changes in manufacturing processes. Some contracts may also include provisions related to the production of validation batches, access to certain records, and potential rejection or recall of products based on customer testing or quality concerns. Any failure to meet such requirements could disrupt operations and adversely impact our business, financial condition, and reputation.

We are also required to register our manufacturing facilities with the U.S. FDA, as well as regulators outside the United States, and our products are required to be made in a manner consistent with current Good Manufacturing Practices ("**cGMPs**") as required by the U.S. FDA or similar standards as applicable in each territory in which we manufacture and export our products. In addition, the U.S. FDA and other agencies periodically inspect our manufacturing facilities, and our products may not meet the required standards under the applicable regulations. The U.S. FDA or other regulatory authorities may identify other regulatory violations in our operations at these or our other manufacturing facilities from time to time. One or more of our manufacturing facilities may be the subject to inspection observations, import alerts and warnings in extreme cases. For example, following a July 2023 U.S. FDA cGMP inspection at our insulins manufacturing facility at Johor, Malaysia, the U.S. FDA provided an "OAI" (Official Action Indicated) classification for the facility, following which we have taken remedial measures by having a robust training programs and improving our operational procedures on sterilization and record-keeping. Subsequent to such remedial measures, a further U.S. FDA inspection at our manufacturing facility at Johor, Malaysia (which is operated by one of our subsidiaries, Biocon SDN BHD), and pursuant to this inspection, in September 2024, the U.S. FDA issued a Form-483 (i.e., a document issued to a company at the conclusion of an inspection and communicate any observations or objectionable conditions discovered) and we have submitted a comprehensive Corrective and Preventive Action Plan ("**CAPA**"), whereby subsequently in January 2025, the U.S. FDA has then classified our manufacturing facility at Johor as "VAI" (Voluntary Action Indicated).

Additionally, in July 2024, the U.S. FDA conducted a combined cGMP and pre-licensing inspection at our facilities in Bangalore, Karnataka (which is operated by one of our subsidiaries, Biocon Biologics Limited) and subsequently issued a Form-483 with its observations. We have already submitted a CAPA to the U.S. FDA for the Bangalore

facility in August 2024, and subsequently in November 2024, the U.S. FDA then classified our manufacturing facility at Bangalore, Karnataka as "VAI" (Voluntary Action Indicated).

While findings and observations in the Bangalore (Karnataka) and Johor (Malaysia) sites do not involve any penalty and have no material impact on our existing business operations, results of operations or financial conditions, in the event the CAPAs were found to be inadequate, we could have been required to cease or limit production at such facilities, and therefore, we would have experienced disruptions or delays to our production, which could materially and adversely affect our business. Further, if we were not able to mitigate the impact of such disruptions or delays, or if we were unable to remedy the violations identified or fail to do so in a timely manner or if we were unable to reallocate our production to other facilities, in such event, we could have a material adverse effect on our business and operations.

3. We are dependent on the success of our research and development ("R&D") services, and the failure to develop new or improved products or process improvements or production techniques in a timely manner could otherwise adversely affect our business.

Our success depends on our ability to improve our existing products, develop commercially viable and sustainable new products in a timely manner at economic scale or to develop process improvements that can improve time, quality and cost efficiency. The pharmaceutical industry is characterized by frequent advancements in technology. Although we continuously engage in R&D, the nature of scientific research and development makes the successful R&D of pharmaceutical products technically challenging, costly, and time-consuming. Additionally, our R&D efforts may not always lead to the successful commercialization of new products.

Our dedicated in-house R&D team (excluding the Research business) consisted of more than 1,100 personnels, and we have R&D centres across our business segments with centres located in Bengaluru (Karnataka) and Chennai (Tamil Nadu), as of March 31, 2025. The below table indicates our R&D expenses in relation to our respective business segments during Fiscals 2025, 2024 and 2023:

Segment**	**Fiscal 2025**		**Fiscal 2024**		**Fiscal 2023**	
	Expenses incurred for R&D	**Percentage of revenue from the relevant segment*****	**Expenses incurred for R&D**	**Percentage of revenue from the relevant segment*****	**Expenses incurred for R&D**	**Percentage of revenue from the relevant segment*****
	(in ₹ millions)	**(%)**	***(in ₹ millions)***	**(%)**	***(in ₹ millions)***	**(%)**
Generics	2,862	9.48%	2,370	8.47%	2,173	7.86%
Biosimilars	5,921	6.57%	9,110	10.32%	8,890	15.92%
Novels*	-	-	84	-	196	102.00%
Inter-Segment	(198)	-	(24)	-	(65)	-
Total research and development expenses	**8,585**	**7.13%**	**11,540**	**9.93%**	**11,194**	**13.41%**

* *Since December 2023, we have discontinued our business in relation to Novels.*

** *The Research business segment has not been included as they provide research services to customers and their expenses are operating expense, and are not in the nature of R&D expense.*

*** *Expenses incurred for R&D divided by our revenue from operations of the relevant Fiscal.*

We cannot assure you that the investments we have made in R&D will yield satisfactory results in terms of improved products or will yield any results at all. Despite our investments in this area, our R&D efforts may not result in the discovery or successful development of new products.

In addition, even where we successfully obtain product registrations and/or market authorizations for any such new or improved products, there can be no assurance that the new or improved products will be commercially successful. Further, if our competitors develop new processes or production techniques, or improve existing processes or production techniques that may give them significant cost and marketing advantages, we may be unable to retain our customers, which would adversely affect our revenues and profitability.

While we have been successful in obtaining different licensing requirements across jurisdictions, and have been able to commercialize our products and have a business footprint to more than 120 countries as of March 31, 2025, we cannot guarantee that we will always be able to meet the applicable licensing requirements and regulations. Failure to achieve regulatory approval of new products in a timely manner or at all could also mean that we do not recoup our R&D investment through sales of that product.

4. **If we are unable to maintain a sufficiently large and/or differentiated portfolio of pharmaceutical products and services and manage their development and approval processes so as to bring them to market on a timely basis, our growth strategy may not be successful and our business would be adversely affected.**

Our future success will depend to a significant degree on our ability to continue to develop and commercialize new and differentiated pharmaceutical products in a timely and cost-effective manner. The development and commercialization of new and differentiated products is complex, time-consuming and costly. Due to the long lead times associated with obtaining regulatory approvals for many of these products, as well as the competitive advantage that can come from gaining early approval, it is important that we maintain a sufficiently large and diversified portfolio of products and a product pipeline and manage their development and approval processes so as to bring products to market on a timely basis. While we have business continuity plans, extensive R&D and cost improvement programs, there is no assurance that we will be able to sustain the growth and diversification of our product portfolio.

For new products offerings, its success will depend upon several factors, including our ability to properly anticipate and respond to customer needs, obtain timely regulatory approval of new products, identify available suppliers and manufacture such products. We also depend on the exclusivity of the products within our portfolio to ensure that our products remain competitive in the market. If we are not able to introduce new products and our existing products lose its exclusivity, or if our new products are introduced to the market only after similar products from our competitors had been launched, our growth strategy may not be successful and our business would be adversely affected. For our existing products offerings, there is no assurance that we will in the future continue to focus on the same products or services we currently offer, as the management continues to evolve its business strategy. For example, since December 2023, we have discontinued our business in relation to our novel biologics segment that was operated through our investment in Bicara ("**Novels**"), and therefore, as of this date, we only have three broad business segments (i.e., Biosimilars, Generics and Research).

Furthermore, we also cannot guarantee that any investment we make in developing products will be recouped, even if we are successful in commercializing those products. In the event of excess production and expiry of outdated stock, we might also have to bear the cost of disposal of the excess products. We also may not be able to utilize our available capacity, which in turn could affect our ability to recover our product development investments. If market conditions change or if our operations do not generate sufficient funds or for any other reasons, we may decide to delay, modify or forego some aspects of our growth strategies. Our future results of operations may be adversely affected if we are unable to implement our growth strategies, which include proper management of our product portfolio.

5. **Particularly in our Biosimilars segment, in the context of our development efforts, biosimilars carry unique regulatory risks and uncertainties, which could adversely affect our results of operations and financial condition, particularly in the United States.**

There are unique regulatory risks and uncertainties related to biosimilars. The testing, approval, safety, effectiveness, manufacturing, labeling and marketing of biosimilars are subject to regulation by the U.S. FDA, the EMA and other regulatory bodies globally. For example, in January 2022, one of Viatris' group of companies voluntarily recalled one batch (manufactured by Biocon Sdn. Bhd.) of its non-interchangeable Semglee (insulin glargine injection), 100 units/ml (U-100), 3mL prefilled pens, which are packaged in a labelled carton of five pens. The product was recalled due to the potential for the label to be missing on some prefilled pens within a labelled carton for this particular batch. A missing label could lead to a mix-up of products/strengths, resulting in administration of the wrong insulin. This incident occurred before the Viatris Acquisition; however, we cannot guarantee that we will not have to recall products in the future, and such recalls may adversely affect our results of operations.

These laws and regulations differ from (and in certain countries may not be as well established as) those governing innovative pharmaceutical products or the approval of generic products. In addition, manufacturing biosimilars, especially in large quantities, is often complex and may require the use of innovative technologies to handle living cells and microorganisms. Any changes to the regulatory framework governing biosimilars or our partners' ability to manufacture an adequate supply of biosimilars in compliance with regulatory requirements may adversely affect our ability to commercialize the biosimilars in our portfolio or achieve our targets in relation to the commercial development of the Biosimilars business segment.

In the United States, due to the lack of pharmacy-level substitution for most biosimilars, we have to rely on increased promotional activity directed at healthcare practitioners and contracting strategies with pharmacy benefit managers. They may, however, not be incentivized to switch from originator to biosimilar products, as a result of which the US biosimilars market may not grow as expected or at all, which could have an adverse effect on our business, financial condition or results of operations.

6. We may face challenges in integrating or restructuring companies or businesses that we merge with or acquire, which could prevent us from realising the anticipated benefits of such mergers, acquisitions, or restructurings, and may adversely affect our existing business and financial conditions.

We may expand or restructure our business through selective, targeted restructuring, mergers or acquisitions of businesses and assets we believe to be complementary to our existing business. We may also seek to expand our business through complementary or strategic acquisitions of other businesses, products or assets, or through joint ventures, strategic agreements or other arrangements. For example, in 2023, we acquired the biosimilars business of our long-standing partner Viatris Inc. ("**Viatris**") to create a fully integrated player with end-to-end capabilities. Furthermore, we may also perform restructuring within our group of companies and subsidiaries for various reasons, such as cost efficiency and synergy. For example, we have set up a committee to evaluate certain strategic restructuring options within the Group companies, including the possibility of a merger between and our Company and one of our subsidiaries, Biocon Biologics Limited ("**Biocon Biologics**").

Mergers and acquisitions, joint ventures, restructuring or other business combinations may involve a number of risks, including diversion of management's attention, failure to retain key acquired personnel and clients, unanticipated events or circumstances, cultural differences, legal liabilities, regulatory risks, fluctuation in the value of investment, amortization of acquired goodwill or intangible assets and other integration challenges or operational complexities, some or all of which could harm our financial condition and results of operations, and affect the market price of our Existing Shares. For example, we had recorded goodwill amounting to ₹159,831 million in relation to the Viatris acquisition in Fiscal 2023, and as of March 31, 2025, our total goodwill amounts to ₹167,857 million mainly from the Viatris acquisition, which is 28.55% of total assets as of March 31, 2025. As a further example, we also hold a 10.1% stake in Bicara, an entity that was spun-off our Company in 2021 and was subsequently listed in NASDAQ from September 2024. However, Bicara's market capitalization has significantly gone down since its listing and this affects the value of our stake in Bicara.

We continue to evaluate on a regular basis whether all or a portion of our intangible assets may be impaired. Under current accounting rules, any determination that impairment has occurred would require us to record an impairment charge, which would negatively affect our earnings.

We may also need to finance certain mergers and acquisitions through external means of funding, such as loans, bonds or refinancings. For example, our Viatris acquisition involves financings through a mix of loans and equity funding. Furthermore, we may incur substantial additional indebtedness, contingent liabilities and amortization costs of declining value of intangible assets acquired relating to the businesses we acquire. Any such mergers or acquisitions, joint ventures or other business combinations may also disrupt our ongoing businesses, which may adversely affect our relationships with customers, employees, regulators and others with whom we have business or other dealings.

In particular, for newly acquired businesses, we cannot assure you that we have sufficient experience and expertise with operating and managing such businesses. We may also face challenges scaling-up the business during the integration process. Certain acquired contracts may not contain provisions ensuring continuity or automatic transfer of obligations in the event of a change in ownership or control, which may affect our ability to maintain existing commercial relationships. Further, if we are unable to realize synergies or other benefits expected to result from any acquisitions, joint ventures or other business combinations, or to generate additional revenue to offset any unanticipated inability to realize these expected synergies or other benefits, our growth and ability to compete may be impaired, which would require us to focus additional resources on the integration of operations rather than other profitable areas of our business and may otherwise cause a material adverse effect on our business, financial condition and results of operations. The acquisition and related costs, including in particular the costs related to the integration of the business, may also negatively impact our EBITDA following the acquisition. For example, in 2023, we substantially acquired all of the assets which comprised Viatris' biosimilars business and have since completed the integration of its business with our operations. If we are not able to realize the efficiency and increase the coverage of our business through repositioning of our geographic footprint or unlocking other anticipated synergies, we may be unable to realize the anticipated benefits of such acquisition and/or our existing business may be harmed.

We may acquire or make strategic non-controlling investments in complementary businesses or assets or enter into strategic partnerships or alliances with third parties in order to enhance our business. It is possible that we may not identify suitable investment, partnership or alliance candidates, or if we do identify suitable candidates, that we may fail to complete those transactions on terms commercially acceptable to us or at all, or fail to realize strategic benefits or encounter disputes with other partners in the partnerships or alliances we enter into, and our competitiveness and growth prospects could be adversely affected.

7. We have incurred total borrowings (non-current and current) of ₹177,555 million as of March 31, 2025, and an inability to comply with repayment and other covenants in our financing agreements could adversely affect our business, financial condition, cash flows.

We have incurred total borrowings (non-current and current) of ₹177,555 million as of March 31, 2025. We have entered into agreements with certain banks and financial institutions for short-term and long-term borrowings and to avail other debt instruments, which typically contain restrictive covenants, including, requirements that we obtain consent from the lenders prior to undertaking certain matters including but not limited to changing or modifying our ownership, increase in authorized share capital, altering our capital structure including any consequent dilution of promoter and members of promoter group shareholding, further issuance of any shares, undertaking any new project or scheme of expansion or acquisition/ investment in other entities, alteration to the constitutional documents of the Company, restructuring or changing the management, changing our shareholding pattern, and changing the constitution of the Board of Directors. While there have been no defaults/ delays in repayments, restructuring or covenant breaches in any loans or debt payments in the past three Fiscals, there can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business. Any failure to comply with the conditions and covenants in our financing agreements that is not waived by our lenders or guarantors or otherwise cured could lead to a termination of our credit facilities, acceleration of all amounts due under such facilities or trigger cross-default provisions under certain of our other financing agreements, any of which could adversely affect our financial condition and our ability to conduct and implement our business plans.

Furthermore, any fluctuations in the interest rates may directly impact the interest costs of our existing loans and could adversely affect our financial condition. Our ability to make payments on and refinance our indebtedness will depend on our ability to generate cash from our future operations. We may not be able to generate enough cash flow from our operations or obtain enough capital to service our debt. Our current or future level of leverage could have significant consequences on our Shareholders and our future financial results and business prospects, including increasing our vulnerability to a downturn in business in India and other factors which may adversely affect our operations; limiting our ability to pursue growth plans; requiring us to dedicate a substantial portion of our cash flow from operations to service debt, thereby reducing the availability of cash flows to fund capital expenditures and growth initiatives, to meet working capital requirements and for use in relation to other general corporate purposes or to make dividend payouts; limiting our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate; increasing our interest expenditure; and limiting our ability to raise additional funds or refinance existing indebtedness.

8. We face growing and new competition that may adversely affect our competitive position and our profitability.

We operate in a highly competitive environment and face a mixture of competitors across all major geographical markets for all our business lines and intense competition from competitors' products. In the Research business segment, we face significant competition from companies in both Indian and foreign geographies. These market participants include other small, limited-service providers and a number of full-service global drug development companies. The larger competitors have a much broader portfolio of business, greater resources and more experience than smaller companies. Generally, the industry has few financial barriers to entry, and hence newer, smaller entities with specialty focuses, such as those aligned to a specific disease or therapeutic area, are also able to compete for clients.

In order to continue to compete effectively, we must continue to invest in both tangible and intangible assets, incorporate technology into our processes and/or proprietary products, carry out our development activities, obtain regulatory approvals in a timely manner where required, and manufacture and successfully market our products. Additionally, we may experience design, manufacturing, marketing or other difficulties that could delay or prevent our development, introduction or marketing of new products or new versions of its existing products. As a result of such difficulties and delays, our development, manufacturing and commercial expenses may increase and, in turn, our results of operations could suffer. Failure to respond to competitive pressures in a timely manner could have a material adverse effect on our business, financial condition and results of operations.

Our competitive prospects are dependent on whether we are able to, among other things:

- diversify and enhance our product lines and services in order to keep ahead of any developments by our competitors;
- maintain exclusivity of the products within our portfolio;
- achieve sufficient market penetration within a reasonable period following commercialization of our products and services;

- effectively expand and diversify into new markets globally, including in markets where pricing of our products is marginally better;
- retain our existing human resources and attract qualified technical and scientific staff;
- effectively manage costs;
- negotiate better terms with our suppliers of materials;
- implement high impact cost improvement programs; and
- establish our products and services as equivalent or of better quality than those of our competitors.

9. **Particularly for our Biosimilars and Generics business segments, the market opportunities for our products may be smaller than we anticipate, which could render some drug candidates ultimately unprofitable even if commercialized.**

The commercial success of our drug candidates depends largely on the size of the markets for those drugs, which may be smaller than we anticipate. Market sizes can be difficult to estimate due to various factors including changes in the competitive landscape, regulatory requirements, market acceptance, the prevalence of competing products and access to healthcare services. Additionally, new drugs or treatments by competitors or advancements in existing therapies could erode our market share or render our drug candidates obsolete.

While the market for biosimilars and generics products is expected to grow, the size of the markets in which we compete may not increase as expected, we may not be able to regain or gain market share, expand our market penetration or the size of the market for our products, or compete effectively on the basis of price, and the number of procedures in which our products are used may not increase above existing levels. Decreases in market sizes or our market share and declines in average selling prices or procedural volumes could materially adversely affect our results of operations or financial condition given that we may have invested a considerable amount into R&D and the product development of a product. Furthermore, our failure to expand our markets beyond existing levels could impact our ability to grow in line with or above current industry standards.

10. **We have incurred significant payments towards the purchase of property, plant and equipment and purchase of intangible assets amounting to ₹23,433 million, ₹19,316 million and ₹17,263 million in Fiscals 2025, 2024 and 2023, respectively. However, such plans may not yield the benefits intended.**

Our operations require significant payments towards the purchase of property, plant and equipment and intangible assets to increase our manufacturing capacity by constructing new facilities or expanding existing ones, in order to support our business plans and keep pace with new products approvals and launches.

	Fiscal 2025		**Fiscal 2024**		**Fiscal 2023**	
	(in ₹ millions)	**% of revenue from operations**	***(in ₹ millions)***	**% of revenue from operations**	***(in ₹ millions)***	**% of revenue from operations**
Purchase of property, plant and equipment	21,366	14.00	16,805	11.39	15,960	14.28
Purchase of intangible assets	2,067	1.35	2,511	1.70	1,303	1.17
Total	**23,433**	**15.35**	**19,316**	**13.09**	**17,263**	**15.45**

In addition, our capital expenditure plans are subject to several variables, including possible cost overruns; construction / development delays or defects; receipt of critical governmental approvals including approvals of drug regulators in our target markets; availability of financing on acceptable terms; and changes in management's views of the desirability of current plans, among others. Accordingly, we cannot assure you that we will be able to execute our capital expenditure plans as contemplated. If we experience significant delays or mishaps in the implementation of our capital expenditure plans or if there are significant cost overruns, then the overall benefit of such plans to our revenues and profitability may decline. To the extent that completed capital expenditure does not produce anticipated or desired revenue or cost-reduction outcomes, our profitability and financial condition will be negatively affected.

For further details, please refer to "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — Capital Expenditure*" on 384.

11. We rely on medical representatives in our field force to market and sell our products. If we are unable to maintain an adequate size of our field force and/or the number of our arrangements for the distribution of our products, our business, results of operations and financial condition could be adversely affected.

In markets where we market our products, we rely heavily on our field force of medical representatives to market and sell our products. We generate demand for our products in several markets through our field force of medical representatives, who frequently visit doctors to promote our product portfolio and also visit pharmacies and distributors to ensure that our brands are adequately stocked. If we are unable to maintain the size of our field force, we will be unable to effectively market our products, which will adversely affect our business, financial condition and results of operations.

12. We rely on the business-to-business model for the sale of certain active pharmaceutical ingredients ("APIs") and pharmaceutical formulations, the nature of which may expose us to operational, financial and reputational risks.

Our Generics business segment involves the manufacture and sale of APIs and pharmaceutical formulations to other businesses, such as generic drug manufacturers and pharmaceutical companies, for use in their own products. While this business-to-business model provides us with growth opportunities, it also exposes us to several operational and financial risks.

In this model, we are dependent on the purchasing decisions of our customers, which may be influenced by factors beyond our control, such as regulatory approvals, market demand for our products, competition, or shifts in business strategies. A reduction in demand for our APIs or formulations from key customers, or their transition to alternative suppliers, could significantly impact our financial performance. Additionally, pricing pressures are a common feature of business-to-business transactions in the pharmaceutical industry. Customers may demand price reductions or more favourable terms to remain competitive or achieve their own financial goals, which could place downward pressure on our margins. Market competition from global and local API and formulation suppliers may also lead to the commoditisation of our products, eroding our profitability over time.

Our business-to-business model is also highly sensitive to supply chain disruptions. Ensuring the availability of raw materials, maintaining compliance with quality standards and delivering products on time are critical to sustaining customer relationships. Any failure in this area, whether due to raw material shortages, manufacturing delays, regulatory non-compliance, or logistical challenges, could harm our reputation and lead to the loss of customers or termination of supply agreements. Moreover, in certain instances, we may have a long-term and/or fixed-price contracts in our business-to-business dealings, which may expose us to fluctuations in input costs, such as raw materials and energy. Such fluctuations can negatively impact our profitability if we are unable to adjust pricing or pass on increases to our customers.

Overall, the success of our business-to-business model requires us to maintain robust supply chain management, cost efficiencies and strong relationships with our customers. Failure in one or more of these areas could materially and adversely affect our business, financial condition, results of operations, and reputation.

13. Any shutdowns of our manufacturing facilities or other manufacturing or production problems caused by unforeseen events may reduce sales and adversely affect our business, financial condition and results of operations.

We are dependent on our manufacturing facilities for our production. We may encounter manufacturing problems or experience difficulties or delays in production as a result of any occurrence of the following events, or any other events beyond our ability to control:

- forced or voluntary closings of manufacturing plants, including as a result of regulatory inspections. For example, we have had to take remedial action in respect of two US FDA inspections of our Bangalore and Malaysia facilities in July 2024 and July 2023, respectively. See "*—Our product manufacturing involves complex procedures and is highly regulated and subject to regulatory requirements, contractual obligations and inspections. Any shortcomings at our manufacturing facilities, such as any violation of applicable regulatory requirements or contractual obligations, may reduce sales and in turn, affect our business, financial condition and results of operations*";
- problems with supply chain continuity, including as a result of weather or a natural or man-made disaster, at one of our facilities or at a critical supplier or vendor;
- difficulties with procuring supplies from certain regions such as Asia, the Middle East and Central and Eastern Europe due to political instability;

- manufacturing shutdowns, product shortages, including backorders and discards, and delays in product manufacturing;
- labour strikes and lockouts that may result in temporary shutdowns or manufacturing disruptions;
- problems with manufacturing, quality assurance/quality control or supply, or governmental approval delays, due to our consolidation and rationalization of manufacturing facilities and the sale or closure of certain sites;
- general supply chain and inventory mismanagement resulting in excess and obsolete inventory and inventory write-off;
- the failure of a sole source or single source supplier to provide us with necessary raw materials (in terms of quantity and/or quality), supplies or finished goods for an extended period of time, which could impact continuous supply;
- shortages of qualified personnel;
- changes in applicable local and international legislations, rules and regulations such as serialization;
- changes in environmental laws and regulations;
- failures or bottlenecks in production processes, especially if we are unable to obtain adequate supply of utilities such as steam, power and water, or our inability to successfully implement debottlenecking measures to reduce idle time or improve operating efficiency by reducing plant outages, wastage or yield losses or otherwise;
- the failure of a third-party manufacturer to supply us with finished products on time;
- construction or regulatory approval delays related to new facilities or the expansion of existing facilities;
- product recalls or market withdrawals;
- our equipment and production facilities becoming obsolete; and
- other manufacturing or distribution problems including limits to manufacturing capacity due to regulatory requirements, changes in the types of products produced, physical limitations or other business interruptions that could impact continuous supply.

While there had not been any instances of the above in the last three Fiscals that materially affected our business and operations, any of the above may result in decline in production and sales, and adversely affect our business, financial condition and results of operations. Additionally, as our equipment ages, it will need to be replaced. Replacement of equipment has the potential to introduce variations in the manufacturing process that may result in lot failures or manufacturing shut-down, delay in the release of product batches, product recalls, spoilage or regulatory action. Success rates can also vary dramatically at different stages of the manufacturing process, which can reduce yields and increase costs.

14. Our facilities are subject to client inspections and quality audits and any failure on our part to meet their expectations or to comply with the quality standards set out in our contractual arrangements, could result in the termination of our contracts and adversely affect our business, financial condition and results of operations.

Pursuant to our contractual arrangements, some of our clients have the right to regularly examine our manufacturing processes, quality control and procedures and registers of our manufacturing facilities after reasonable notice and at a reasonable time to ensure that our services are meeting their internal standards and regulatory requirements. Most of our clients routinely inspect and audit our facilities. Any failure on our part to meet the expectations of our clients and to comply with the quality standards set out in our contractual arrangements, could result in the termination of our contracts and our clients may choose to source their requirements from our competitors. We may also incur significant costs to upgrade our facilities and manufacturing processes. The occurrence of any such events may have an adverse effect on our business, financial condition and results of operations.

15. In Fiscals 2025, 2024 and 2023, we have been able to maintain relatively stable inventory levels as part of our current assets, amounting to ₹49,311 million, ₹49,439 million and ₹42,437 million, respectively. Changes in inventory levels or fluctuations in buying patterns by our distributors and customers may adversely affect our sales and earnings and add to sales variability from quarter to quarter.

We balance the need to maintain inventory levels that are sufficient to ensure competitive lead times against the risk of inventory obsolescence because of changing customer requirements, fluctuating commodity prices, changes to our products, product transfers or the life cycle of our products. The below table indicates certain metrics in relation to our inventory levels:

	Fiscal 2025	Fiscal 2024	Fiscal 2023
	in ₹ millions, unless otherwise stated		
Cost of materials consumed	42,767	50,719	31,911
Purchases of stock-in-trade	6,266	6,827	6,261
Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,942	(8,567)	(1,541)
Total	**51,975**	**48,979**	**36,631**
Current assets – inventories	49,311	49,439	42,437
Inventory turnover ratio (*in times*)[(1)]	1.05	1.07	1.12

Notes:

(1) Inventory turnover ratio means the cost of material consumed plus purchases of stock-in-trade plus changes in inventories of finished goods, work-in-progress and stock-in-trade, divided by average inventories.

In order to successfully manage our inventories, we must estimate demand from our customers and produce products that substantially correspond to that demand. Market dynamics, including the acceptance of our type of products, competition and the continuing dominance of originator products, changes in treatment protocols, the absence of high concentration formulation of certain products and regulatory developments, can all impact the actual demand for our products. Health emergency situations such as pandemics could also change the demand and supply for our products. Consequently, this may lead to inaccuracies in forecasting consumer demands, limited market penetration and weaker than expected sales. This can result in excess inventory, price reductions and erosion of margins on such products, all of which imposes a financial burden on our business.

Furthermore, we must also determine our product acceptance rate by independent third parties such as wholesalers, distributors, physicians, hospitals, pharmacies, government representatives and other retailers as we rely to a significant extent on the strength of our brands and our reputation and acceptance by third-party agents and distributors. If we overestimate the demand of our products, we may incur unnecessary expenses and excess inventory costs. Conversely, underestimating the demand of our products could lead to stockouts, missed sales opportunities, and diminished customer satisfaction.

In addition, due to the lead times necessary to acquire, install and ramp up production of new equipment and product lines, if we fail to adequately forecast the need for additional manufacturing capacity, whether for new or existing products, we may be unable to scale production in a timely manner to meet demand for our products. In addition, the technically complex manufacturing processes required to manufacture many of our products increase the risk of production failures and can increase the cost of producing our goods. Because the production process for many of our products is so complex and sensitive, the cost of production and the chance of production failures and lengthy supply interruptions is increased, which can have a substantial impact on our inventory levels.

16. As of Fiscal 2025, Fiscal 2024 and Fiscal 2023, we derived 57.52%, 58.39% and 48.30%, respectively, of our revenue from operations from only the Biosimilars business segment and therefore its continued success is necessary for our business and prospects. Any decline on the demand for our products in the Biosimilars business could have an adverse impact on our business, revenue and profitability.

As of Fiscal 2025, Fiscal 2024 and Fiscal 2023, we derived 57.52%, 58.39% and 48.30%, respectively, of our operational revenue from the Biosimilars business segment. The revenue breakdown for each segment of our business for Fiscals 2025, 2024 and 2023 are set out below.

Segment	FISCAL					
	2025		2024		2023	
	₹ in millions	*(%)*	*₹ in millions*	*(%)*	*₹ in millions*	*(%)*
Biosimilars	90,174	57.52%	88,242	58.39%	55,838	48.30%
Research	36,424	23.23%	34,886	23.09%	31,929	27.62%
Generics	30,175	19.25%	27,985	18.52%	27,644	23.91%
Novels*	-	-	-	-	192	0.17%
Inter segment revenue	(4,156)	-	(3,556)	-	(3,861)	-
Revenue from operations	152,617	100.00%	147,557	100.00%	111,742	100.00%

** Since December 2023, we have discontinued our business in relation to Novels.*

Thus, our business depends to a large extent upon our ability to manufacture and sell products within our Biosimilars business segment on a profitable basis. If the demand for such products decreases or the market for such products takes longer to develop, our revenues may decline, which would have an adverse impact on our business and profitability. See also "*—The complex regulatory approval process for the development of our products is a lengthy and expensive process with uncertain timelines and outcomes, which could materially and adversely impact our business, financial condition, and operations*".

17. **As of Fiscal 2025, 31.58% and 39.42% of our revenue from operations is derived from our top five customers and top ten customers, respectively, and 46.14% of our revenue from operations is derived from customers based in the United States. Thus, our revenue from operations is highly dependent upon a limited number of customers and/or specific region, and any adverse changes affecting our customers or our relationship with such customers could have an adverse effect on our financial performance and result of operations.**

We derive a significant portion of our revenue from our top five customers and top ten customers. Our revenues from top five customers and top ten customers for Fiscal 2025 accounted for 31.58% and 39.42% of our consolidated revenue from operations, respectively. In case of any regulatory issues or business disruption at customer place, there may be adverse implications on Company's revenues.

Some of our customers are also based in the United States. Our revenue from the operations that are derived from United States customers for Fiscal 2025 accounted for 46.14% of our consolidated revenue from operations. Some of our customers are also based in the United States Dependence on a few counterparties and/or states or regions is risky for manufacturers in case of customer attrition. There can be no assurance that we will be able to significantly reduce customer concentration in the future. While there had not been such instances where we incur significant loss of customers in the past three Fiscals, as we are significantly dependent on our key customers and/or region for a significant portion of our sales, the loss of any one or more of our key customers for any reason (including, due to loss of contracts or failure to negotiate acceptable terms in contract renewal negotiations, disputes with customers, adverse change in the financial condition of such customers, including due to possible bankruptcy or liquidation or other financial hardship, merger or decline in their sales, reduced or delayed customer requirements, plant shutdowns, labour strikes or other work stoppages), could have an adverse effect on our business, results of operations and financial condition. In addition, these key customers may also set off any payment obligations, require indemnification for themselves or their affiliates, replace us with our competitors, or replace their existing products with alternative products which we do not supply. Furthermore, from time to time, tariffs, quotas and other tariff and non-tariff trade barriers may be imposed on our products in jurisdictions in which we heavily sell our products. Therefore, there can be no assurance that we can maintain historic levels of business from our significant customers, that we will not lose all or a portion of sales to these key customers, or that we will be able to offset any reduction of revenue from these customers with reductions in our costs or by obtaining new customers. The occurrence of any of the above factors will have an adverse effect on our financial performance, profitability and result of operations.

18. **Our dependence on a limited number of third-party suppliers for some of our production could prevent us from delivering some of our products to our customers in the required quantities, within the required timeframe, or at all, which could result in order cancelations and decreased revenues.**

The production of our products in our various business segments requires a number of inputs, for example devices, resins and solvents. If our supply of such inputs is interrupted from time to time, or proves insufficient to meet demand, our results of operations could be adversely impacted. We are also dependent on certain third-party suppliers for production of our products. Any interruption of supply from any our suppliers or prolonged quality issues, including any unanticipated outage, shutdown and/or suspension of production of inputs including devices, resins and solvents could have an adverse effect on our businesses, financial condition, results of operations and cash flows. While no third-party site supplies inputs for more than one of our products, if we are unable to obtain such inputs, or if we are unable to obtain them at a competitive cost, our competitiveness may be affected, and we may lose market share.

Some of our key inputs are also heavily sourced from a particular country. For example, in our Generics business segment, there is a concentration of supply for key starter materials from China, representing approximately 42%, 35% and 40% of the total key starter materials purchased for Fiscals 2025, 2024 and 2023 for the Generics business segment. Although we have measures to reduce our supplier concentration risk, such as by having multiple suppliers from multiple geographies, dependence on a few counterparties or states/regions remains risky for manufacturers and can be subject to various geopolitical risks such as tariffs war. There can be no assurance that we will be able to significantly reduce supplier concentration risk in the future. We may also not be successful in looking for alternative sources of supply for our key inputs. The inputs needed for our products are highly regulated, and as such, there are a limited number of suppliers who can both meet regulatory requirements and have the capacity and

inventory to meet our needs. There is thus often a long lead time to acquire inputs from a new supplier as regulatory requirements need to be satisfied, and new studies may be required. Accordingly, we may face order cancelations and decreased revenues if our existing third-party suppliers are unable to meet our demand for the inputs required in the production of biosimilars.

19. **For our Generics and Biosimilars business segments, we rely on licensing and supply agreements for the commercialisation of certain of our products, which may expose us to significant risks, and we may not achieve the anticipated benefits from such arrangements.**

For our Generics and Biosimilars business segments, we depend on licensing, collaboration, and supply agreements with third parties to commercialise certain products and to distribute them in various markets. These agreements often involve complex negotiations, and the success of such arrangements depends on our ability to identify suitable partners, execute favourable terms, and maintain a productive working relationship with these third parties. Additionally, the commercial success of these arrangements is subject to the abilities, resources, and strategic priorities of our partners, where we may have limited control or visibility.

We may not achieve the anticipated benefits or synergies from such licensing arrangements, whether due to misaligned interests, differing commercial goals or operational inefficiencies. Further, some agreements may involve significant up-front costs, milestone payments or royalties, which may adversely impact our financial performance if the commercialisation of the relevant products fails to meet expectations. Our partners may also decide to deprioritise or even terminate their commitments due to internal resource constraints, shifts in their strategic focus, or regulatory or market challenges.

Moreover, disputes or disagreements with our licensing or supply partners could arise concerning performance, interpretation of contractual terms or allocation of responsibilities. Such disputes may lead to litigation or arbitration, resulting in increased costs and distraction from our core business. In some cases, a breakdown in these relationships could force us to terminate the agreements and find alternative partners. Such occurrences could further delay or disrupt the commercialisation of the corresponding product, which may adversely affect our financial condition, business operations and reputation.

20. **We depend on third parties for clinical development and research activities, including animal testing, for our product development in the Generics and Biosimilars business segments, which exposes us to substantial risks that could materially affect our business, financial results, and product prospects.**

Our clinical development and research operations rely on third-party service providers, such as independent laboratory operators, clinical investigators, contract research organisations ("**CROs**"), and institutions conducting animal testing, for our product development in the Generics and Biosimilars business segments. These third parties are critical to our laboratory-level development, pre-clinical investigations, clinical trials, and related services. While these activities play a central role in our product development process, they may introduce risks due to our limited control over the day-to-day performance of such parties, despite the existence of any legal agreements or contracts between us and such third-party service providers. Any failure by these third parties to comply with applicable protocols, laws, regulatory requirements, or ethical standards could disrupt or adversely impact our clinical and pre-clinical programmes, potentially requiring the repetition or delay of trials and development phases. These third-party service providers may also face capacity issues in their relevant facilities as a result of catering to multiple customers other than us, which may cause delays in the provision of results of the clinical trials that are relevant to our products.

Furthermore, our reliance on third-party service providers does not absolve us of our regulatory responsibilities. We remain accountable for ensuring that clinical trials comply with good manufacturing practice ("**cGMP**") and general good laboratory and clinical practice requirements for clinical trials and development standards enforced by domestic and foreign regulatory authorities, including DGCI, CDSCO and the U.S. FDA. Regulatory authorities enforce these good laboratory, clinical practice and development requirements through periodic inspections of trial sponsors, clinical investigators and trial sites. While there had not been any such instances in the last three Fiscals that materially affected our business and operations, compliance failures by us or these third parties could result in clinical data being deemed unreliable, suspension or termination of trials, rejection of regulatory applications, or significant delays in obtaining product approvals. Any such event could materially harm our financial condition and commercial prospects.

In particular, animal testing, which is mandated for certain pharmaceutical products prior to human trials, adds another layer of regulatory and reputational risk. These activities, whether undertaken internally or outsourced, are conducted in adherence to applicable laws and international guidelines (including but not limited to the Prevention of Cruelty to Animals Act, 1960, the guidelines under the Committee for the Purpose of Control and Supervision of Experiments on Animals issued by the Government of India, Association for Assessment and Accreditation of

Laboratory Animal Care International's Rules of Accreditation and the certifications under the Office of Laboratory Animal Welfare). Furthermore, while there had not been any such instances in the last three Fiscals that materially affected our business and operations, acts of protest or vandalism by animal rights activists or opposition from the public could damage our reputation and disrupt our operations. Even perceived non-compliance with ethical standards in animal research could lead to reputational harm and increased scrutiny from stakeholders.

Additionally, third-party service providers that we engage for clinical and pre-clinical development, including animal testing, may also work for other entities, including our competitors, which could compromise their performance on our behalf. If any of these third parties fails to fulfil their contractual obligations, meet project milestones, or comply with ethical, legal, or regulatory requirements, our clinical trials or research activities may be delayed, extended, or terminated. This could negatively impact our ability to successfully develop or commercialise our products and may subject us to liability or regulatory penalties.

While we seek to mitigate these risks through contractual arrangements and quality assurance measures, we cannot guarantee that such provisions will fully protect us from the actions or omissions of third parties. Any disruption or adverse event related to third-party clinical or pre-clinical activities, including animal testing, could materially affect our business operations and public perception of our Company.

21. We are dependent on third-party transportation providers for the supply of materials for our manufacturing process, capital equipment and delivery of our finished products. Any disruption to such transportation providers' operations or any delivery delays of and damages to our materials or products during the course of transportation may affect our business, financial conditions and results of operations.

Our success depends on the supply and transport of the various materials and capital equipment required to our manufacturing facilities from suppliers and of our finished products from our manufacturing facilities to our customers, which are subject to various uncertainties and risks. We use third-party transportation providers for the delivery of materials to manufacturing facilities and our finished products to customers on an order-to-order basis. Transportation strikes, if any, could have an adverse effect on supplies and deliveries to our customers and from our suppliers. While we did not encounter any transportation strikes in the past three Fiscals, we have been facing issues in relation to availability of shipping vessels and congestion at ports. Although in such instances, we are able to make alternate arrangements for our supply and transportation needs, our supply chains have been affected at times.

In addition, materials and components, as well as our products shipped to customers, may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be a delay in delivery of materials and products which may also affect our business and results of operations negatively. In the event we fail to maintain a sufficient volume of materials and delivery of such materials to us is delayed, we may be unable to meet orders in a timely manner or at all. Any such inability may result in loss of sales opportunities that our competitors may capitalize on, thereby adversely affecting our business, financial condition, results of operations, and cash flows. Any compensation received from insurers or third-party transportation providers may be insufficient to cover the cost of any delays and will not repair damage to our relationships with our affected customers. In the past three Fiscals, we have experienced delays on account of port congestion and non-availability of containers, and we cannot assure you that we will not experience delays in the future. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third-party transportation providers. This could require us to expend considerable resources in addressing our distribution requirements, which could adversely affect our results of operations. Our transportation, freight, duty and handling charges (excluding inward freight cost which is accounted for under raw material costs) for Fiscals 2025, 2024 and 2023 are set out in the table below.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations	Amount	Percentage of revenue from operations
	(₹ million)	*(%)*	*(₹ million)*	*(%)*	*(₹ million)*	*(%)*
Freight outwards and clearing charges	2,926	1.92%	887	0.60%	551	0.49%

22. Our Research business through Syngene is subject to some additional risks.

Our Research business through our subsidiary, Syngene, is subject to the following additional risks:

- Our success largely relies on our ability to secure business from biotechnology and pharmaceutical customers that would like to engage in our R&D services.

- Our contracts are generally terminable on short or no notice. Termination of a large contract for services or multiple contracts for services could adversely affect our revenue and profitability.
- Our clients generally retain us on an engagement-by-engagement basis. After we complete a project for a client, we do not know whether the same client will retain us in the future for additional projects.
- Our clients that account for a significant portion of our revenues in a given period may not generate a similar amount of revenues, if any, in subsequent periods.
- As our operating expenses are relatively fixed and cannot be reduced on short notice to compensate for unanticipated variations in the number or size of engagements in progress, we may continue to incur costs and expenses based on our expectations of future revenues.
- In some of our contracts, we are not paid unless we achieve certain goals or milestones. This can result in the incurrence of costs without corresponding revenue generation.
- Our inability to safeguard trade secrets and sensitive information can impact our performance and may subject us to potential litigation or liabilities.
- Any failure to develop or manufacture commercially viable drugs as a result of the R&D services we provide may affect our reputation and customer attrition rate.
- We may not be able to keep pace with emerging client technology requirements necessary to provide our R&D services. See also "*—If changes in technology or therapeutic preferences make our products obsolete, our product sales and revenues will decline*".

23. Any adverse effect resulting from non-compliance with and changes in environmental, health and safety, labour laws and other applicable regulations may adversely affect our business, financial condition, cash flows and results of operations.

We are subject to various laws and regulations in relation to environmental protection, such as Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981, the Environment (Protection) Act, 1986, as amended, as well as international environmental laws and regulations, health and safety, and labour. These laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other aspects of our manufacturing operations. For example, the discharge or emission of chemicals, dust or other pollutants into the air, soil or water that exceeds permitted levels and causes damage to others may give rise to liabilities toward the government and third parties and may result in our incurring costs to remedy any such discharge or emission. Our products, including the process of manufacturing, storage and distribution of such products, are subject to numerous laws and regulations in relation to quality, health and safety.

We handle and use hazardous materials in our manufacturing and R&D activities. The improper handling or storage of these materials could result in accidents, injure our personnel and damage our property and/or the environment. While we have implemented safety measures targeted at preventing such hazards, we cannot assure you that we will not experience accidents in the future. Any accident at our facilities may result in personal injury or loss of life, substantial damage to or destruction of property and equipment resulting in the suspension of operations. In addition, we may be required to incur costs to remedy the damage caused, pay fines or incur other penalties for non-compliance.

Further, laws and regulations may limit the amount of hazardous and pollutant discharge that our manufacturing facilities may release into the air and water. The discharge of materials that are chemical in nature or of other hazardous substances into the air, soil or water beyond these limits may cause us to be liable to regulatory bodies or third parties. Any of the foregoing could subject us to litigation, which could affect our reputation in the event we were found liable. Additionally, the government or the relevant regulatory bodies may require us to shut down our manufacturing facilities, due to external factors that are beyond our control, such as the discharge of materials that are chemical in nature of other hazardous substances by other factories within the proximity of our manufacturing facilities affecting our operations. Further, in the event that any of our manufacturing facilities or operations at such manufacturing facilities are shut down or suspended, we may continue to incur costs in complying with regulations, appealing any decision to close or suspend our facilities, maintaining production at our existing facilities and continuing to pay labour and other costs, despite such closure or suspension.

We have incurred and expect to continue incurring costs for compliance with all applicable environmental, health and safety and labour laws and regulations. These laws and regulations have, however, become increasingly stringent and it is possible that they will become significantly more stringent in the future. Further, non-compliance with such environmental laws and regulations may subject us to regulatory action, including monetary penalties. Although we have not been found to be in material non-compliance with all applicable environmental, health and

safety and related regulations, we cannot assure you that we will not be found to be in non-compliance with, or remain in compliance with these regulations or the terms and conditions of any consents or permits in the future or that such compliance will not result in a curtailment of production or a material increase in the costs of production, which would adversely affect our business, financial condition, cash flows and results of operations. While we maintain insurance for environmental-related losses and liabilities in India, any compensation received from our insurers may be insufficient to cover such losses and liabilities.

24. There are certain outstanding legal proceedings involving our Company and Subsidiaries. Any adverse decision in such proceedings may expose us to liabilities or penalties and may adversely affect our business, financial condition, results of operations and cash flows.

There are certain outstanding legal and regulatory proceeding involving our Company and our Subsidiaries, which are pending at different levels of adjudication before various courts, tribunals, appellate tribunals and other authorities. Such proceedings could divert the management's time and attention and consume financial resources in their defence or prosecution.

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in applicable law or rulings against us by appellate courts or tribunals, we may need to make provisions in our audited financial statements that could increase our expenses and current liabilities. Often these cases raise complex factual and legal issues, which are subject to risks and uncertainties and which could require significant time from our directors and/or our management or Promoters.

Litigation and other claims and regulatory proceedings against us or our management could result in unexpected expenses and liabilities. Any adverse decision in any of these proceedings may have an adverse effect on our business, results of operations and financial condition. We cannot assure you that these proceedings will be decided in the favour of our Company and our Subsidiaries, or that no additional liability will arise out of these proceedings. The details of pending legal proceedings in relation to criminal proceedings, tax proceedings and actions by regulatory or statutory authorities and material civil litigation involving our Company and our Subsidiaries has been disclosed in accordance with the materiality policy set out in the section "*Legal Proceedings*" on page 497.

25. If we become subject to significant legal action, including in relation to intellectual property rights, product liability and potential adverse side effects of our products, we may incur substantial costs related to litigation, suffer harm to our reputation, and be subject to regulatory investigations or sanctions.

The pharmaceuticals industry has been subject to significant product liability, intellectual property and other litigation that are inherent in the design, development, manufacture and marketing of pharmaceutical products. Many of these actions would involve large claims and significant defence costs. Furthermore, a significant portion of our sales are to the United States market, where standards of care are very high, and product liability and other claims can be relatively easy to pursue. We may be named as a defendant in product liability lawsuits, which may allege that our offerings have resulted or could result in an unsafe condition or injury. Regardless of the merits or eventual outcome, such claims may result in:

- decreased demand for our products;
- injury to our reputation or adverse publicity against us;
- initiation of investigations by regulators;
- costs to defend the related litigation;
- a diversion of management's time and resources;
- compensatory damages and fines;
- product recalls, withdrawals or labelling, marketing or promotional restrictions;
- loss of revenue; and/or
- exhaustion of any available insurance and our capital resources

In particular, there has been substantial litigation in the pharmaceutical industry with respect to the manufacture, use and sale of generics and biosimilar products, often in relation to the validity and infringement of patents controlled by originator pharmaceutical companies. Biosimilars manufacturers often face legal battles over patent

infringement claims by originator companies, leading to costly and lengthy litigation processes. Originator companies may also create complex patent landscapes, making it difficult for biosimilars manufacturers to develop their products without infringing on patents. Accordingly, biosimilar companies need to possess strong intellectual property capabilities to effectively manage the complexities of the IP landscape and successfully launch their products across markets. For example, we had to enter into settlements in relation to (i) Ustekinumab that paved the way for launches in Europe, United Kingdom, Canada and Japan and (ii) Yesafili (Aflibercept) that enabled us to anticipate a launch into the United States as early as the second half of 2026. While we take great care in ensuring that the launch of a new product does not violate any valid intellectual property rights and seek to refrain from selling products prior to the expiration of their patent protection, patent infringement claims are typical for our industry, and intellectual property infringement claims could be brought against us and we may be found to infringe on the intellectual property rights of others. See "*Legal Proceedings*" on page 497 for further details.

Furthermore, our products may have previously unknown safety or efficacy concerns or unknown side effects. While we place significant importance on risk management and our products undergo clinical studies and statistical analysis during the development process prior to approval, there are inherent limitations with regard to the design of such trials, the limited time used to measure the efficacy of the product and the limited ability to perform long-term monitoring. In the event that such unanticipated side effects are discovered, we may be required to add descriptions of the side effects as "precautions" to the packaging of our products, recall and terminate sales of products or conduct costly post-launch clinical studies. Furthermore, concerns of potential side effects could arise among consumers or medical professionals, and such concerns, whether justified or not, could expose us to negative publicity and have an adverse effect on sales of our products and our reputation. Further, while there had not been any such instances in the last three Fiscals that led to any legal proceedings against us which materially affected our business and operations, if any of our products cause serious or unexpected side effects after receiving market approval, a number of potentially significant negative consequences could result, including:

- regulatory authorities may withdraw their approval of the product or impose restrictions on its distribution;
- regulatory authorities may require the addition of labelling statements, such as warnings or contraindications;
- we may be required to change the way the product is administered or conduct additional clinical studies;
- we could be sued and held liable for harm caused to patients; or
- our reputation may suffer.

26. The directors, officers and Promoters of our Company and our subsidiaries are and may from time to time be involved in legal and regulatory proceedings, and any adverse decision may have a significant adverse effect on our business, financial condition and results of operations.

The directors, officers and Promoters of our Company and our subsidiaries are and may from time to time be involved in legal and regulatory proceedings and claims in certain countries where we conduct our business or are resident in. In certain instances, these proceedings and actions may be attributable to dealings by our or our subsidiaries' directors, officers or Promoters either on a personal basis or with other companies and may not be related to us. These legal or regulatory proceedings may be pending at different levels of adjudication before various courts and tribunals and regulatory authorities. Should any new developments arise, such as changes in applicable law of the jurisdictions relevant to us, or rulings against us by appellate courts or tribunals or regulators, we may need to make provisions in our financial statements, which could increase our expenses and our liabilities. Further, we cannot assure you that any legal or regulatory proceedings will be decided in our or our subsidiaries' directors', officers' and Promoters' favour and our financial liability may be enhanced in the event any court, tribunal or authority passes an adverse order against us or our subsidiary. Any such adverse decision may have a significant adverse effect on our overall business, financial condition and results of operations.

India has an elaborate judicial framework with a multi-tier judicial machinery and a complex system of procedural and substantive laws, which may lead to actions and disputes in multiple forum. Litigation in India, or even the threat of litigation, can be expensive, lengthy and disruptive to normal business operations, and the results of litigation are inherently uncertain and may result in adverse rulings or decisions, including interim measures. Further, private citizens are permitted to initiate criminal complaints against companies and other individuals and we and our directors, officers and shareholders have in the past and may in the future be required to defend frivolous actions, which may not resolve in a timely manner.

27. Our public and product liability insurance coverage may not be adequate to cover all possible losses, which could have a material adverse effect on our business, prospects, financial condition and results of operations.

From time to time, the pharmaceutical industry has experienced difficulties in obtaining desired amounts of product liability insurance coverage. Product liability insurance availability also generally varies by country and may include sector-specific sub-limits. As a result, we may face difficulties in obtaining insurance at an affordable rate or find ourselves completely unable to acquire insurance coverage. Our public and product liability insurance is generally subject to certain limitations and a maximum liability threshold. For example, customary exclusions include bodily injury to an employee arising out of and in the course of employment, workmen compensation, property damage to property owned or occupied and liabilities arising out of deliberate or willful non-compliance with statutory provisions. Our public and product liability insurance may not be adequate and, at any time, insurance coverage may not be available to mirror all our contractual obligations on commercially reasonable terms or at all. While there had not been any such instances in the last three Fiscals that materially affected our business and operations, if any product liability claim was sustained against us for products not covered by existing product liability insurance or where the damages awarded exceeds the limits set on the existing insurance cover, it could harm our business and financial condition. Even for the products where we carry the product liability insurance, our claims may not be fully accepted by the insurance companies. This risk is likely to increase as sales of our products increase and as our products are commercialized in more jurisdictions.

28. **Particularly in our Biosimilar business segment, if an improved version or a biosimilar version of an originator product is developed by the originator company or if the market acceptance for the treatment regimen involving the originator product significantly declines, sales or potential sales of our biosimilar products may suffer.**

Biosimilars are modelled on brand-name originator products, and the commercialization and financial success of our biosimilar products are, therefore, closely tied to the market dynamics and acceptance of the originator products. A substantial risk to our business is the potential development and market introduction of an improved version of an originator product by the originator company. If an originator company develops and successfully markets an enhanced or superior version of their product, healthcare providers and patients may prefer the new version over biosimilars, thereby limiting the market potential for our biosimilar products. This could result in reduced demand and sales for our biosimilar offerings.

Additionally, if the market acceptance for the treatment regimen involving an originator product significantly declines due to the development of alternative therapies, negative safety or efficacy findings, or changes in treatment standards or policies, the market for our corresponding biosimilar products may also be adversely affected. Declining market acceptance of the originator product could reduce the potential sales of our biosimilars, impacting our revenue and profitability.

29. Particularly in our Biosimilar business segment, if the originator product has long-term contracts with existing payors, the existing payors may not adopt a biosimilar that we launch.

We face potential challenges in gaining market share for our biosimilar products if the originator products have already established long-term contracts with existing payors, including insurance companies, healthcare providers and government agencies. Such contracts typically include preferential pricing, exclusive supply agreements and other terms that incentivize payors to continue utilizing the originator product and may discourage the adoption of newly introduced biosimilars. Accordingly, our products may not gain market share even if there is a demand in the market for such biosimilars.

30. If we are unable to defend ourselves in challenges related to intellectual property rights, we could be subject to injunctions preventing us from selling our products, resulting in a decrease in revenues, or we could be subject to substantial liabilities that would lower our profits and adversely affect our financial condition.

There has been substantial patent-related litigation in the pharmaceutical and medical device industries concerning the manufacture, use and sale of various products. We take all reasonable steps to ensure that our products do not infringe valid third-party intellectual property rights ("**IPRs**"). We generally rely on a combination of patents, licensing arrangements, non-disclosure agreements and non-competition agreements to protect our proprietary intellectual property. See "*Business—Intellectual Property*".

Under most of our long-term transaction agreements, we have agreed to indemnify the customer for intellectual property infringement claims arising out of our infringement of a third party's intellectual property. We generally endeavour to cap our liabilities under the business engagement agreements (whether out-sourcing, in-licensing or commercial transactions) except for losses arising from breach of confidentiality obligations or from our fraud,

gross negligence or wilful misconduct. We bear unlimited liability for death, fraud, any gross negligence or wilful misconduct on our part to the extent not permissible to be limited under law and any breach of confidentiality obligations under our service agreements. As a result, if any aspect of a deliverable to a customer that we create infringes a third party's intellectual property rights due to our gross negligence, and particularly if such deliverable ultimately becomes a commercially successful product, we could be exposed to substantial liability. If we are unsuccessful in defending ourselves against these suits, we could be prevented from selling our products, resulting in a decrease in revenues, or to damages, which may be substantial. Either event could adversely affect our consolidated financial position, results of operations or liquidity.

As at March 31, 2025, we have more than 1,500 patents registered under our name with more than 590 active patents across our business segments. While we intend to defend against any threats to our intellectual property, we cannot assure you that our patents, trade secrets or other agreements will adequately protect our intellectual property. We are subject to periodic patent infringement proceedings, both in India and outside India. For example, we had received a legal complaint in 2024 alleging patent theft for our bifunctional antibody-ligand traps, and the matter is currently ongoing.

We also rely on non-disclosure agreements and non-competition agreements with certain employees, consultants and other parties to protect trade secrets and other proprietary rights that belong to us. We cannot assure you that these agreements will not be breached, that we will have adequate remedies for any breach or that third parties will not otherwise gain access to our trade secrets or proprietary knowledge. Any inability to patent new processes and protect our proprietary information or other intellectual property could adversely affect our business.

Our development of products may also be limited to the extent that their manufacturing processes are considered to infringe existing third-party IPRs, although we are not aware of there being any such infringements in the past. In addition, patent applications are currently pending for some of the technologies currently being utilized by us. If the patent application is rejected or challenged, any aspect of our business reliant on such technologies would be disrupted. Any such disruption may adversely affect our business.

31. **Our policies regarding returns, allowances and chargebacks in the United States, failure to supply penalties and marketing programs adopted by wholesalers may reduce our revenues.**

Consistent with industry practice in the United States, our U.S. subsidiary, Biocon Biologics Inc. and Biocon Pharma Inc., like many other biosimilar ang generic formulation manufacturers, has liberal return policies and has been willing to give customers post-sale inventory allowances. Under certain arrangements with customers, from time to time, we may give customers credits on products that customers hold in inventory after decreasing the market prices of the same products. Therefore, if new competitors enter the marketplace and significantly lower the prices of any of their competing products, we may reduce the price of our product. As a result, we may be obligated to provide significant credits to customers who are then holding inventories of such products, which could reduce sales revenue and gross margin for the period the credit is provided. Such arrangements with our customers are also subject to high service quality level, including failure to supply penalties, which, in the event we are unable to supply a certain product and are unable to meet the needs of our customers, for whatever reason, including unavailability of raw materials, could lead to service level penalties, which may be significant. Such penalties typically are not passed through to our suppliers, notwithstanding that such unavailability may arise from such suppliers instead of us. Like our competitors, we also give credits for chargebacks to wholesale customers that have contracts with us for their sales to hospitals, GPOs, pharmacies or other retail customers. A chargeback represents an amount payable in the future to a wholesaler for the difference between the invoice price paid to us by our wholesale customer for a particular product and the negotiated contract price that the wholesaler's customer pays for that product. Although we establish reserves based on our prior experience and our best estimates of the impact that these policies may have in subsequent periods, we cannot ensure that our reserves are adequate or that actual product returns, allowances and chargebacks will not exceed our estimates, which could have an adverse effect on our financial condition, results of operations and cash flows. As we continue to experience the consolidation of our customers, which may result in changes to previous patterns of ordering and/or pricing of our products, this could disrupt our established methodologies for calculating our provisions for chargebacks and other accruals. If there is unanticipated competition or an unexpected change in one or more of our contractual relationships, our estimates may be exceeded, which could have an adverse effect on our financial condition, results of operations and cash flows.

32. **The loss of services of key senior management personnel, and in particular Ms. Kiran Mazumdar-Shaw, could have an adverse effect on our business, financial condition and results of operations.**

Our success depends in part on the continued services of key senior management personnel, who set the strategy and ensure the smooth day-to-day running of our company. In particular, we are dependent on the continued services of our founder and Executive Chairperson Ms. Kiran Mazumdar-Shaw. Our business has been built by Ms. Shaw from 1978 through a series of organic initiatives as well as acquisitions of assets and businesses. She has played

and continues to play an active role in driving the long-term strategy and the day-to-day business of our Group. Although we maintain general group personal accident and group medical insurance for our employees, we do not maintain key person life insurance on our executive officers. Nonetheless, the loss of Ms. Shaw could impair our ability to implement our strategy and thus have an adverse effect on our business.

In addition, we may lose the services of certain senior management personnel and may experience periods where there is a lack of continuity of senior management from time to time. We maintain a directors and officers insurance policy for certain senior management personnel, including all directors, officers or members of a management board or supervisory board of our Company. The policy also covers an employee while acting as a manager (or in a supervisory capacity) of our Company. There can be no assurance that we would be able to find and integrate replacement personnel in a timely manner to support the needs of our business. An inability to ensure continuity of senior management could adversely affect our business.

33. We may not be able to hire and retain sufficient numbers of qualified professional personnel that we need to succeed because these personnel are limited in number and are in high demand.

Given the size, complexity and geographic reach of our business and our multiple business lines, we are reliant upon our ability to recruit and retain highly qualified professional personnel and other employees. Failure to hire and retain high-quality employees may delay or prevent the achievement of major business objectives. For example, it is vitally important that we recruit and retain high quality R&D specialists in view of our business lines' R&D focus. We commit substantial resources to this effort given the competition for qualified and experienced scientists from biotechnology, pharmaceutical and chemical companies, as well as universities and research institutes globally and given the active recruitment attempts of our talent by our competitors. Any failure to attract or retain qualified personnel for such R&D functions, quality, regulatory affairs and sales personnel as well as staff generally in functions such as manufacturing, finance, information technology and management, or to enter into third-party arrangements on favourable terms could adversely affect our business and our financial condition and results of operations could be harmed.

Accordingly, there can be no assurance that we will be able to successfully attract, assimilate or retain sufficiently qualified personnel. If our recruitment, retention and motivation efforts are unsuccessful in the future, it may be difficult for us to implement our business strategy, which could have an adverse effect on our business.

34. We are exposed to the risk of strikes, work stoppages and other industrial action, which could disrupt our business.

We are exposed to the risk of strikes, work stoppages and other industrial actions. India has stringent labour legislation that protects the interests of workers, including in relation to dispute resolution and employee removal, and legislation that imposes certain financial obligations on employers upon retrenchment. Although our workforce is not entirely unionized, in certain jurisdictions, such as India, medical representatives are unionised through third-party unions. As a result, our exposure to industrial actions and union-related risks may differ from other jurisdictions where our workforce is not unionised and our labour costs may increase. We may experience lengthy consultations with labour unions and work councils or strikes, work stoppages or other industrial action. Strikes and other industrial action, as well as the negotiation of new EU employee collective bargaining agreements with works councils or salary increases in the future, could disrupt our operations. The occurrence of any or all the above risks could have a material adverse effect on our business, financial condition and results of operations.

35. Failure, inadequacy or breach of our IT systems or our business processes regarding confidential information and other data, unauthorized access to our confidential information or violations of data protection laws could result in harm to our business, financial condition, cash flows and results of operations.

We store confidential information in our information systems, networks, and facilities, including valuable trade secrets and intellectual property, clinical trial information, corporate strategic plans, marketing plans, and personally identifiable information, such as employee and patient information. We also rely on the capacity and reliability of the information technology systems, processing and quality assurance systems that support our operations. We are subject to a variety of continuously evolving and developing laws and regulations around the world related to privacy, data protection and data security. Maintaining the confidentiality, integrity and availability of our IT systems and confidential information is vital to our business. Along with many other players in the global pharmaceuticals business, we may also increase our use of AI and generative AI-based tools to make significant advancements in pharmaceutical research and development.

Our business operations are dependent upon increasingly complex and interdependent information technology systems, including enterprise applications and cloud-based applications managed through security monitoring tools and processes. The size and complexity of our computer systems make them potentially vulnerable to breakdown,

malicious intrusion and computer viruses. Furthermore, AI is an emerging technology and comprehensive regulatory frameworks for its use are not in place in all countries and still nebulous. The efficacy of the use of AI in the pharmaceutical business, particularly in relation to product development or clinical trials, is also still unsubstantiated in the industry. Although we have not experienced a major disruption in our manufacturing operations due to failure of such systems, we cannot assure you that we will not encounter disruptions in the future. Any such disruption may result in the loss of key information and disruption of production and business processes, which could adversely affect our business, financial condition, cash flows and results of operations.

IT systems are vulnerable to system inadequacies, network failure, hardware failure, operating failures, service interruptions or failures, security breaches, malicious intrusions or cyber-attacks from a variety of sources. AI in particular also poses a number of security risks, such as the possibility of cyber-attacks and ransomware that can adapt quickly to security systems through polymorphism. Cyber-attacks are growing in their frequency, sophistication and intensity, and are becoming increasingly difficult to detect, mitigate or prevent. Cyber-attacks come in many forms, including the deployment of harmful malware, exploitation of vulnerabilities (including those third-party software or systems), denial-of-service attacks, the use of social engineering and other means to compromise the confidentiality, integrity and availability of our IT systems, confidential information and other data. We cannot assure you that we will not encounter cyberattacks in the future. We may be subject to breaches resulting in the compromise, disruption or unauthorized disclosure or use of confidential information, on account of negligent or wrongful conduct by employees or others with permitted access to our systems and information, or wrongful conduct by hackers, competitors or other current or former company personnel. Our third-party vendors, including third-party providers of data hosting or cloud services, as well as suppliers, distributors, alliances, and other third-party service providers, face similar risks, which could affect us directly or indirectly. Such data security breaches could lead to the loss of trade secrets or other intellectual property, or could lead to the public exposure of personal information (including sensitive personal information) of our employees, customers and others. While we continue to implement measures in an effort to protect, detect, respond to, minimize or prevent these risks and to enhance the resiliency of our IT systems, these measures may not be successful and we may fail to detect or remediate security breaches, malicious intrusions, cyber-attacks or other compromises of our systems, which could have an adverse effect on our reputation, business, financial condition and results of operations.

Further, we may be subject to laws and regulations relating to privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data. These laws and regulations may continually change as a result of new legislation, amendments to existing legislation, changes in the enforcement policies and changes in the interpretation of such laws and regulations by the courts or the regulators.

36. We may not be able to detect or prevent fraud or other misconduct committed by our employees or third parties.

Fraud or other misconduct by our employees, such as unauthorized business transactions, leaking of confidential information especially in relation to products under development, bribery and breach of any applicable law or our internal policies and procedures, or by third parties, such as breach of law may be difficult to detect or prevent. It could subject us to financial loss and sanctions imposed by government authorities while seriously damaging our reputation. In the past, we have terminated employment for certain of our employees owing to misconduct and/or fraudulent conduct. We cannot assure you that fraud or other misconduct will not occur in the future. In such event, our ability to effectively attract prospective stakeholders, obtain financing on favourable terms and conduct other business activities may be impaired.

We may also face risks with respect to fictitious or other fraudulent activities or sale of counterfeit drugs by personnel involved in our operations. Our risk management systems, information technology systems and internal control procedures are designed to monitor our operations and overall compliance. We cannot assure you that that the measures we have implemented to detect and reduce the occurrence of fraudulent activities would be effective in combating fraudulent transactions or improving overall satisfaction among our stakeholders. Therefore, we are subject to the risk that fraud or other misconduct may have previously occurred but remains undetected or may occur in the future. However, adequate controls are designed and tested for operating effectiveness on a regular basis. Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time due to evolving business conditions. For example, in a past instance involving a potential violation of our Insider Trading Policy, we undertook corrective action by amending the policy, restricting the individual's trading activity in the Company's shares, and issuing an internal communication to that effect. We cannot assure you that deficiencies in our internal controls will not arise in the future, or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any such deficiencies could materially and adversely affect our business, reputation, financial condition and prospects.

37. We have incurred, and may continue to incur, a net decrease in our cash flows, which could adversely affect our ability to finance our operations and growth.

We have incurred, and may continue to incur, negative cash flows in the future, which could adversely affect our ability to finance our operations and growth. In Fiscal 2024, our cash and cash equivalent experiences a net decrease of ₹3,833 million. Although our cash and cash equivalent subsequently increased by ₹19,731 million in Fiscal 2025, our business may experience periods where net cash flows from operating activities were negative due to significant investments in business expansion, high operating expenses, or fluctuations in revenues. If we are unable to generate positive cash flows consistently, we may have to rely on external financing, which may not always be available or may be available only on unfavourable terms. This could adversely affect our operational flexibility, financial condition, and growth prospects.

38. As of March 31, 2025, we had contingent liabilities as disclosed in our consolidated financial statements under Ind-AS, which, if they materialise, may adversely affect our financial condition, cash flows and results of operations.

As of March 31, 2025, our contingent liabilities as disclosed in our consolidated statement of assets and liabilities under Ind-AS, were as follows:

- Direct taxation totalling to ₹9,468 million;
- Indirect taxation, including matters pertaining to disputes on central excise, custom duty and service tax totalling to ₹1,945 million; and
- Other matters against us not acknowledged as debts totalling ₹348 million.

For more information regarding litigation on these matters, please refer to the section entitled "*Legal Proceedings*".

39. We have in the past entered into related-party transactions and may continue to do so in the future. We cannot assure you that we could not have achieved more favourable terms had such transactions not been entered into with related parties.

We have entered into certain transactions with related parties, including our Promoters and Key Managerial Personnel, and are likely to continue to do so in the future. The aggregated absolute total of our related-party transactions (post inter-company eliminations) was ₹2,103 million, ₹12,896 million and ₹6,816 million for Fiscal 2025, 2024 and 2023, respectively, covering salary and perquisites, sitting fees and commission, sale and purchase of goods and services, dividend received, other income and other expenses (including sales promotion, cross charges, CSR and other reimbursements).

Although all related-party transactions that we may enter into are on an arm's length basis and are subject to approval by our Audit Committee, Board of Directors or shareholders, as required under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), we cannot assure you that such transactions in the future, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. Such related-party transactions in the future may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you that such future transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, cash flows and results of operations. There can also be no assurance that any dispute that may arise between us and related parties will be resolved in our favour. For details on our related-party transactions, see "*Related Party Transactions*".

40. We are unable to trace some of our corporate records such as certain form filings. Further, there have been inaccuracies in certain of our regulatory filings. We cannot assure you that no legal proceedings or regulatory actions will be initiated against our Company in the future in relation to these matters, which may impact our financial condition and reputation.

We have been unable to trace certain corporate records and regulatory filings such as (i) form filings and resolutions pertaining to the allotment done on March 31, 2004, (ii) form filings pertaining to the allotment of fully-convertible debentures done on April 1, 1998, (iii) form filings and challan/payment receipt pertaining to the allotment done on February 21, 1986, September 28, 1998 and March 31, 2004, (iv) challan/payment receipt pertaining for Form 2 filed for allotments dated December 26, 1979 and August 5, 1985, (v) RBI approval for certain allotments done during the period from November 27, 1982 to February 21, 1986 and December 19, 1996 to March 31, 2004, (vi) form FCGPR and the corresponding RBI acknowledgment for the form pertaining to the allotment done on June

19, 2017 and (vii) form FCGPR for the allotment done on June 15, 2019 (collectively, hereinafter referred as "**Corporate Records**"). We have reached out to current and previous authorized dealer bank, i.e., HDFC Bank Limited and HSBC Bank Limited, vide our emails dated June 5, 2025 and June 6, 2025 respectively to assist the Company in tracing the missing RBI approvals and form FCGPR.

This was despite conducting internal searches and engaging an independent practicing company secretary to conduct a search on the online portal of the Ministry of Corporate Affairs ("**MCA Portal**") as well as a physical search of our records at the RoC and prepare a report on such search (the "**RoC Search Report**").

While certain information in relation to these missing documents has been disclosed in the section "*Capital Structure*" in this Preliminary Placement Document, based on the corporate records of our Company and the certificate dated June 13, 2025, prepared by V. Sreedharan & Associates, practising company secretary, we may not be able to furnish any further information other than as already disclosed in "*Capital Structure*" or confirm that the records mentioned above will be available in the future. We also cannot assure you that we will not be subject to any adverse action by any authority in relation to such untraceable records.

Further, some of our corporate regulatory filings and records including forms filed with the RoC have had certain factual or typographical errors and discrepancies. For instance, the date of allotment mentioned in the return of allotment with respect to the further issue undertaken by the Company on April 1, 1979 was erroneously recorded as August 1, 1979 instead of April 1, 1979. Accordingly, reliance has been placed on the register of members, minutes of the meeting of the Board and Shareholders.

We cannot assure you that, in future, we will not be subjected to any liability on account of such non-compliances. Although no legal proceeding or regulatory actions have been initiated or pending against us in relation to such untraceable secretarial and other corporate records and documents, if we are subject to any such liability, it may have a material adverse effect on our reputation, financial condition, cash flows and results of operations.

41. Our funding requirements and proposed deployment of the Net Proceeds of the Issue have not been appraised by a bank or a financial institution and if there are any delays or cost overruns, our business, cash flows, financial condition and results of operations may be adversely affected.

We intend to use the Net Proceeds for the purposes described in "*Use of Proceeds*". The objects of the Issue and deployment of funds have not been appraised by any external agency or any bank or financial institution or any other independent agency. The proposed utilization of Net Proceeds is based on our current business plan, management estimates, prevailing market conditions and other commercial considerations, which are subject to change and may not be within the control of our management. Based on the competitive nature of our industry, we may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change. Our internal management estimates may exceed fair market value or the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our project and capital expenditure and may have an adverse impact on our business, financial condition, results of operations and cash flows.

42. Our Company proposes to utilize a portion of the Net Proceeds to repay certain borrowings / financial commitments availed by our Company.

Our Company intends to use a certain portion of the Net Proceeds for the repayment of certain borrowings / financial commitments of our Company. However, the repayment/ prepayment of the identified borrowings is subject to various factors including, commercial considerations, market conditions and conditions attached to such borrowings including prepayment penalties. While we believe that utilization of Net Proceeds for repayment of borrowings would help us to reduce our cost of debt and enable the utilization of our funds for further investment in business growth and expansion, the repayment of loans will not result in the creation of any tangible assets for our Company.

43. One of our subsidiaries, Syngene International, is listed in the NSE, and is subject to the rules and regulations therein. Any non-compliance by such subsidiary may have an adverse impact on their business, financial position, reputation, and consequently, on our consolidated financials.

One of our subsidiaries, Syngene International, is listed in the NSE, and is subject to the applicable rules and regulations therein. Their continued compliance with these obligations, such as corporate governance requirements, disclosure norms, and restrictions on related party transactions, is essential. Any non-compliance or regulatory action against our listed subsidiary may have an adverse impact on their business, financial position, reputation, and consequently on our consolidated financials. Furthermore, Syngene may be required to act in the interests of their public shareholders or to comply with more stringent requirements than those applicable to us, which could limit our influence over their management and operations. Divergent or conflicting requirements from regulators may result in additional costs, complexity, or operational constraints for our group as a whole.

44. Future sales by current shareholders could cause the price of our Equity Shares to decline.

If our existing shareholders sell a substantial number of our Equity Shares in the public market, the market price of our Equity Shares could fall. Indian securities laws permit venture capital funds and foreign venture capital investors registered with SEBI as well as employees other than promoters holding Equity Shares pursuant to employee stock option schemes to dispose of their Equity Shares. Sales or distributions of substantial amounts of our Equity Shares by existing holders, or the perception that such sales or distributions could occur, could adversely affect prevailing market prices for our Equity Shares

EXTERNAL RISK FACTORS

45. Any negative trends in the global macroeconomic environment may adversely affect our business, financial condition and results of operations.

Our business and performance are influenced by local and global economic conditions. The growth of the global pharmaceutical market is tied to global economic growth. A slowdown in global economic growth could exert downward pressure on the demand for our products and services, which could reduce the size and number of available markets for our finished products and in turn adversely impact our business, financial condition and results of operations. Investors' reactions to developments in one country may adversely affect the market price of securities of companies located in other countries. Furthermore, a prolonged weakness in the global financial and economic situation may provide more leverage to third parties with whom we do, or may do business, in negotiating pricing and other contractual terms that are favourable to them. For example, customers may insist on increased payment period terms which affects our available working capital or they may reduce or revise the quantity of the products that they purchase from us. Any of these factors could adversely affect our business, financial condition and results of operations.

46. Reforms in the healthcare industry in India and other countries in which we operate, and the uncertainty associated with pharmaceutical pricing and reimbursement could adversely affect the pricing and demand for our products.

The healthcare industry is subject to changing political, economic, and regulatory reforms that may also affect the pharmaceutical industry. From time to time, various national and transnational governmental and regulatory bodies, including the U.S. Congress, the European Commission, the Council of the EU and the European Parliament, adopt changes to the statutes that govern the agencies that oversee or regulate the industries in which we operate, including the CDSCO and the US FDA. In addition, the CDSCO, the U.S. FDA and the EMA, among others, often issue new regulations or guidance, or revise or reinterpret their current regulations and guidance in ways that may significantly affect our business. Furthermore, governmental agencies throughout the world, including in the U.S., strictly regulate the drug development process. For example, the recent legislative changes, such as those introduced by the Inflation Reduction Act ("**IRA**") encompass a range of reforms that are intended to reduce prescription drug costs. These reforms could necessitate significant adjustments to our pricing strategies and may lead to narrower profit margins. One expected outcome of the IRA is the establishment of price controls on a selection of drugs. This could have a consequential effect on the research and development of new therapies, potentially diminishing the broader scope of R&D efforts for novel drugs and subsequently reducing the prospects for outsourcing in this sector.

In addition, the implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability, or commercialize our products. Such reforms could have an adverse effect on anticipated revenue from products and may affect our overall financial condition.

We cannot predict the initiatives that may be adopted in the future. The continuing efforts of governments, insurance companies, managed care organizations and other payers of healthcare services to contain or reduce costs of healthcare and/or impose price controls may adversely affect:

- the demand for our product candidates, if we obtain regulatory approval;
- our ability to set a price that we believe is fair for our products;
- our ability to generate revenue and achieve or maintain profitability;
- the level of taxes that we are required to pay; and
- the availability of capital.

47. We are subject to certain competition and antitrust laws throughout the world, including federal and state antitrust laws in the United States or equivalent,

Our business is subject to applicable competition and antitrust laws throughout the world, including federal and state antitrust laws in the United States. For example, the federal government and most states in the United States have enacted antitrust laws that prohibit specific types of anti-competitive conduct, including price fixing, wage fixing, concerted refusals to deal, price discrimination, monopolization, and tying arrangements, as well as acquisitions that have, or may have, a substantial adverse effect on competition.

Similarly, the Competition Act, 2002, of India, as amended ("**Indian Competition Act**") regulates, *inter alia*, practices that are likely to have an appreciable adverse effect on competition ("**AAEC**") in the relevant market in India. Further, the Competition Commission of India has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. Under the Indian Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. The Indian Competition Act also prohibits abuse of a dominant position by any enterprise.

The Competition (Amendment) Act, 2023, passed by the Government of India on April 11, 2023, included several amendments to the Indian Competition Act, such as introduction of deal value thresholds for assessing whether a merger or acquisition qualifies as a "combination," expedited merger review timelines, codification of the lowest standard of "control" and enhanced penalties for providing false information or a failure to provide material information.

If we pursue acquisitions in the future, including the possible merger between and our Company and Biocon Biologics that is being evaluated by our committee, we may become subject to legal action or investigations and proceedings by national and supranational competition and antitrust authorities for alleged infringements of antitrust laws, which could result in sanctions, fines or other forms of liability, prompt follow-on private or putative class action claims or otherwise damage our business reputation, which could have an adverse effect on our business, financial condition, results of operations and prospects. Such laws and regulations could also limit or prohibit our ability to grow in certain markets.

48. We are exposed to government price control which could negatively affect our results of operations.

In addition to normal price competition, the price of certain products is or may be restricted by price controls imposed by governments and healthcare providers in countries to which we export our Biosimilars and Generics products. The existence of such price controls measures can therefore limit the revenues we earn from our products. While we have not experienced any significant impact on our profitability as a result of these pricing control and restrictions in the Fiscals 2025, 2024 and 2023, any future changes to these policies could have an adverse effect on our profitability.

49. We are exposed to risks of failing to comply with sanctions, anti-bribery and anti-corruption laws.

There is an increasing focus globally on the implementation and enforcement of anti-bribery and anti-corruption legislation, and doing business on a worldwide basis requires us to comply with the laws and regulations of various jurisdictions. In particular, our international operations are subject to anti-corruption laws and regulations, such as the U.S. Foreign Corrupt Practices Act of 1977 (the "**FCPA**") and the United Kingdom Bribery Act of 2010 (the "**Bribery Act**," and, together with the FCPA, the Prevention of Corruption Act, 1988 and other similar regulations, "**Anti-Corruption Laws**"), and economic sanctions programs, including those administered by the United Nations, the European Union and the U.S. Department of the Treasury's Office of Foreign Assets Control (the "**Sanctions**"). The FCPA, together with similar statutes in other jurisdictions, prohibits providing anything of value to foreign officials for the purposes of obtaining or retaining business or securing any improper business advantage. In the context of our business, government officials interact with us in a variety of roles that are important to our operations, such as in the capacity of a regulator, partner or healthcare payer, re-imburser or prescriber, among others. The provisions of the Bribery Act extend beyond the bribery of foreign public officials and are more onerous than the FCPA in a number of other respects, including jurisdiction, non-exemption of facilitation payments and penalties.

Economic and financial sanctions and trade embargo programs restrict our business dealings with certain sanctioned countries, persons and entities. We and certain of our affiliates have limited sales of our products or services, either directly or through third party distributors, in certain countries that are subject to various Sanctions, including Russia and Syria. The aggregate sales to these countries accounted for less than 0.50% of our revenue from operations for Biocon Biologics in each of the last three Fiscals. Our sales and purchases in these countries comply with all applicable Sanctions, including availing of certain exemptions or authorizations for U.S. Persons to engage in certain medical activities and/or sales or certain medical items subject to U.S. export controls to be exported to such sanctioned regions. We and certain of our affiliates also purchase limited amounts of certain pharmaceutical

products from Cuba which we use as ingredients in certain of the products we sell and make certain other payments to entities located in Cuba and Russia. Neither our procurement of or dealings in these Cuban-origin items, nor our sales of items that incorporate these Cuban-origin ingredients, involves persons subject to U.S. jurisdiction or other touchpoints that would bring the activity into U.S. jurisdiction. For instance, we do not sell the finished goods incorporating these Cuban-origin items in the United States or to companies subject to U.S. jurisdiction. Therefore, our activities are in compliance with U.S. (and other applicable) sanctions. Although there is financial and reputational risk inherent to any business with or involving Sanctions targets, we believe that any such risks resulting from these operations and sales are quite low. However, there can be no assurance that other persons and entities with whom we now, or in the future, may engage in transactions will not become subject to Sanctions. There can be no assurance that the countries in which we currently operate will not be subject to further and more restrictive Sanctions in the future. There can be no assurance that additional Sanctions will not be imposed on other countries or entities with which we do business.

We are exposed to a potential compliance risk with respect to Anti-Corruption Laws and Sanctions applicable in those countries in which we operate. In addition, some of the international locations in which we conduct business lack a developed legal system and have high-perceived levels of corruption. Our continued expansion and worldwide operations, including in developing countries, increase the potential compliance risk with respect to Anti-Corruption Laws, Sanctions or similar laws and regulations. While the Company has put in place internal policies and frameworks as required under applicable law, there can be no assurance that the actions of any individual employee will not expose us to actions under applicable anti-corruption laws or have an adverse reputational impact on us, even without the involvement of the Company.

Violations of Anti-Corruption Laws and Sanctions by us, our subsidiaries, our employees or our local agents or consultants are punishable by civil, criminal and administrative penalties, including fines, denial of export privileges, injunctions, asset seizures, revocations or restrictions of licenses, monitoring or self-reporting obligations and exclusion from government reimbursement programs, as well as possible imprisonment, any of which could materially adversely affect our reputation, business or results of operations.

50. If changes in technology or therapeutic preferences make our products obsolete, our product sales and revenues will decline.

Pharmaceutical and biotechnology development is characterized by significant and rapid technological change and sometimes significant shifts in therapeutic preferences. Research and discoveries by others, including developments of which we are not currently aware, may make our products obsolete. If changes in technology or therapeutic preferences make our products obsolete, doctors will be less likely to prescribe our or our customers' products, and sales of our products will be reduced. If sales of our products are reduced, our results of operations could be adversely affected. For example, in the last few years there have been significant advancements in anti-diabetes and weight loss drugs such as Ozempic, which would negatively impact demand for our insulins business.

51. Increasing employee compensation in India may erode some of our competitive advantage and may reduce our profit margins.

Employee compensation in India has historically been significantly lower than employee compensation in the United States and Western Europe for comparably skilled professionals, which has been one of our competitive strengths. However, compensation increases in India may erode some of this competitive advantage and may negatively affect our profit margins. Employee compensation in India is increasing at a faster rate than in the United States and Western Europe, which could result in increased costs relating to scientists and engineers, managers and other mid-level professionals. We may need to continue to increase the levels of our employee compensation to remain competitive and manage attrition. Compensation increases may have a material adverse effect on our business, results of operation and financial condition.

52. We are subject to numerous political, economic, legal, tax, operational and other risks as a result of our international operations, including risks of possible nationalization, expropriation and other restrictive governmental actions.

We are subject to numerous political, economic, legal, tax, operational and other risks as a result of our international operations, including risks of possible nationalization, expropriation, price controls, capital controls, exchange controls, increased taxes and levies, and other restrictive governmental actions, as well as the outbreak of hostilities or political and governmental instability which could adversely impact our business in many ways. In particular, we believe we are most susceptible to these risks in the United States, Malaysia and India, being jurisdictions where a substantial portion of our business and assets are conducted and/or located.

Any compulsory acquisition or expropriation of any part of our properties, including land where our manufacturing facilities are located, by any governmental authorities in the name of public interest or otherwise may cause disruptions to our production activities and could adversely affect our business.

53. We are subject to rules and regulations governing our marketing practice.

We are subject to various U.S. federal and state laws pertaining to healthcare fraud and abuse, including, but not limited to, the federal anti-kickback statute at 42 U.S.C 1320a-7b(b), its related safe harbor regulations under 42 C.F.R. 1001.952(h) and its various state analogues, the federal False Claims Act, the federal Food Drug and Cosmetic Act, the Health Insurance Portability and Accountability Act and other marketing and pricing laws.
In addition, we are subject to a comprehensive framework instituted by the European Union for commercialization that includes stringent requirements pertaining to public tenders, price ceilings, and various disclosure obligations. Non-compliance with these requirements can lead to significant consequences for us, including financial penalties, disqualification from tendering processes, reputational damage, and potential litigation.
Furthermore, several jurisdictions have enacted legislation requiring pharmaceutical companies to establish marketing compliance programs and file periodic reports on sales, marketing, pricing and other activities. For example, manufacturers of pharmaceuticals and medical devices must report on an annual basis certain payments and other transfers of value to physicians and teaching hospitals, as well as investment interests held by physicians and their immediate family members. In recent years, several states in the United States have also enacted legislation requiring pharmaceutical companies to file periodic reports with the state, make periodic public disclosures on sales, marketing, pricing, discounts, charges, clinical trials and other activities, and/or register their sales representatives, as well as establish marketing compliance programs and prohibiting pharmacies and other healthcare entities from providing certain physician prescribing data to pharmaceutical companies for use in sales and marketing. Many of these requirements are new and their breadth and application is uncertain. In the U.S. in particular, we may also have to disclose any reports made to healthcare and federal programs including Medicare and Medicaid.

Violations of these laws are punishable by criminal and/or civil sanctions, including, in some instances, imprisonment and exclusion from participation in federal and state health care programs. We believe that we are in compliance with these laws, but the U.S. government could disagree and challenge our practices. As a result, we may have to change our advertising and promotional business practices, or our existing business practices may be challenged as unlawful due to changes in laws, regulations or rules or due to administrative or judicial findings. These factors may result in an adverse effect on our business, financial condition and results of operations.

54. The illegal distribution and sale by third parties of counterfeit versions of our products or of stolen products could harm our patients and reputation.

Our industry has been increasingly challenged by the vulnerability of distribution channels to illegal counterfeiting and the presence of counterfeit products in a growing number of markets and over the Internet. Third parties may illegally distribute and sell counterfeit versions of our products, which do not meet the rigorous manufacturing and testing standards that our products undergo. Counterfeit products are frequently unsafe or ineffective, and can be potentially life-threatening. However, to distributors and patients, counterfeit products may be visually indistinguishable from the authentic version.

Reports of adverse reactions to counterfeit drugs or increased levels of counterfeiting could materially affect patient confidence in the authentic product, and harm the business of companies such as ours. Additionally, it is possible that adverse events caused by unsafe counterfeit products would mistakenly be attributed to the authentic product. In addition, there could be thefts of inventory at warehouses, plants or while in transit, which are not properly stored and which are sold through unauthorized channels. Public loss of confidence in the integrity of pharmaceutical products as a result of counterfeiting or theft could have an adverse effect on our business, financial condition and results of operations.

55. Any trade or export/import protection policies may affect our business.

We distribute our products to various countries internationally. In the event that any of these countries to which we export imposes trade sanctions or enforces import restrictions or tariffs, duties and other levies in relation to our products, it may adversely affect our ability to compete with the local manufacturers and other competitors who, due to more widespread operations, are able to coordinate delivery and supplies from strategically located production facilities in a more cost competitive manner, and consequently, our business and results of operations may be adversely affected.

For example, the U.S. Congress has introduced the Biosecure Act, a bill to prevent the import and procurement of biopharmaceutical products manufactured by certain companies, including Chinese companies, into the U.S. More recently and broadly, on April 2, 2025, United States' President Donald Trump signed Executive Order 14257 titled

"Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits", imposing tariffs for goods imported into the United States from most of its trade partners, including India. Although a 90-day moratorium on these tariffs are currently being imposed, given the evolving situation, we cannot assure that the reciprocal tariffs imposed by the United States will not affect our business, operations and financial condition.

The imposition of tariffs, trade restrictions, or other regulatory barriers by the Indian government or other governments could in the end result in increased costs, supply chain disruptions, delays in our production processes or loss of access to markets. Any prolonged restrictions or heightened trade tensions could impair our operational efficiency and profitability.

56. Our profitability would decrease if the Government of India or the State of Karnataka reduced or withdrew tax benefits and other incentives it currently provides to us.

The statutory corporate income tax rate inclusive of surcharge in India is currently 25.17%. We currently take advantage of corporate tax rate under section 115BAA of the Act, our subsidiaries are eligible for income tax exemptions and deductions, which are applicable to companies engaged in export. Specifically, benefits under Section 10AA of the Income Tax Act, 1961. For details, please refer to the section entitled "*Statement of Possible Special Direct Tax Benefits Available to the Company, to Its Material Subsidiaries and to the Shareholders of the Company*". Accordingly, our effective tax rates (provision for taxation/profit before tax, extraordinary items and adjustments on a consolidated basis) for Fiscal 2025 was 24.23%. The loss or unavailability of these benefits would likely increase our income tax obligations and have a material adverse effect on our profits and cash flow.

We are also entitled to certain other benefits and concessions in relation to customs duty from the Government of India and also to certain sales tax benefits from the State of Karnataka. For details of the sales tax deferrals, please refer to the section entitled "*Statement of Possible Special Direct Tax Benefits Available to the Company, to Its Material Subsidiaries and to the Shareholders of the Company*". Any reduction in the availability or amount of these tax benefits could have a material adverse effect on our profits and cash flow.

57. Much of our raw materials and fuel costs are linked to global commodity prices, which are outside our control.

Raw material costs are to some extent dependent on global petrochemical prices, which in turn often track global oil prices. This is because our API production processes involve the use of many petrochemicals, especially solvents such as ethyl acetate, acetonitrile, methanol and acetone. As global petrochemical prices increase, our petrochemical input costs also increase.

Our fuel costs relate principally to the purchase of diesel, super kerosene oil and natural gas, which are used in our power generators and/or boilers. Our fuel costs are linked to global oil prices. As global oil prices increase, our fuel costs increase.

Further adverse movements in global petrochemical or oil prices would further increase our raw materials and/or fuel costs, which may have a material adverse effect on our profitability. The movements of commodity prices are outside our control, and they may be likely to increase in the near future given the increasing current global political instability and in particular, the conflict in the Middle East and the Russia – Ukraine war.

58. The location of our facilities is concentrated and disruption affecting our sites could have a material adverse effect on our business, financial position and results of operations.

A large portion of our manufacturing and R&D facilities are located in the greater Bangalore (Karnataka) area of India. A significant disruption in the greater Bangalore (Karnataka) area or in India generally, even on a short-term basis, could impair our ability to produce and ship products on a timely basis and continue our research projects, which could have a material adverse effect on our business, financial position and results of operations. In addition, our production processes require significant amounts of water. Droughts or other factors that may impact our ability to access water from pipelines, groundwater sources or external tankers could have a material adverse effect on our business operations.

59. We are subject to risks arising from exchange rate fluctuations.

The exchange rate between the Rupee and the U.S. Dollar has changed substantially in recent years and may continue to fluctuate substantially in the future. From March 31, 2022 to March 31, 2025, the value of the Rupee declined by 11%. We expect that a majority of our revenues will continue to be generated in U.S. Dollars for the foreseeable future and that a significant portion of our expenses, including personnel costs as well as capital and operating expenditures, will continue to be denominated in Rupees. While we hedge currency exposures through

forward, range forward, and option contracts to minimize the impact of fluctuating exchange rates, we cannot assure you that we will be able to effectively mitigate the adverse impact of currency fluctuations on our results of operations.

60. Our performance is linked to the stability of policies and the political situation in India.

Several of our manufacturing facilities and R&D centers are located in India. Our business, and the market price and liquidity of our securities may be affected by foreign exchange rates and controls, interest rates, changes in government policy, taxation, natural calamities, social and civil unrest and other political, economic or other developments in or affecting India.

Since 1991, successive Indian governments have pursued policies of economic liberalization and financial sector reforms. The Indian government has traditionally exercised and continues to exercise influence over many aspects of the economy. The role of the Indian central and state governments in the Indian economy as producers, consumers and regulators has remained significant and we cannot assure you that such liberalization policies will continue. Additionally, corruption and protests against privatizations, which have occurred in the past, could slow down the pace of liberalization and deregulation in India. The rate of India's economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well. Any such significant change could disrupt business and economic conditions in India generally, and specifically ours, as some of our assets including two of our manufacturing facilities are located in India, which may adversely affect our financial condition and results of operations.

Furthermore, India has from time to time experienced instances of civil unrest and hostilities among neighbouring countries, such as with Pakistan and China. In recent years there have been military confrontations along the India-Pakistan border and stand-offs along the India-China border. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel and transportation more difficult. Such political tensions could create a greater perception that investments in Indian companies involve a higher degree of risk. This, in turn, could have a material adverse effect on the market for securities of Indian companies, including our Equity Shares and on the market for our services.

61. If global inflation were to continue to rise, we might not be able to increase the prices of our products and services at a proportional rate in order to pass costs on to our customers and our profits might decline, which could have an adverse effect on our business and financial condition.

Inflation rates could be volatile, and we may face high inflation in the future as the global economy has witnessed in the past five years. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, salaries and other expenses relevant to our business. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit growth. Consequently, we may also be affected and fall short of business growth and profitability.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in global inflation levels can increase our operating expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition.

62. Biocon Biologics, one of our subsidiaries, is a party to agreements with certain shareholders and investors pursuant to which it requires consents and approval from such shareholders and investors to undertake prescribed activities.

Biocon Biologics, one of our subsidiaries, has entered into agreements with certain shareholders and investors (collectively referred to as the "**Investor Shareholders**") (the "**Investor Agreements**"). The Investor Agreements grant certain rights to the Investor Shareholders, pursuant to which matters stipulated therein ("**Reserved Matters**") cannot be implemented by Biocon Biologics without approval from all Investor Shareholders, or a majority of the Investor Shareholders, or a specific Investor Shareholder, as applicable. Such Reserved Matters pertain to, *inter alia*, the ongoing and day-to-day business of Biocon Biologics, including, but not limited to, (i) alteration and modification of the Biocon Biologics' authorised share capital, (ii) any investment opportunities in entities primarily in the business of manufacturing biosimilars, (iii) any material change in the nature of the Biocon Biologics' business, (iv) amendments and grant of employee stock options under the Biocon Biologics' employee stock option plan(s) that exceed 5% of the Biocon Biologics' share capital, (v) availing external borrowings resulting in the external net debt of the Biocon Biologics exceeding certain specified financial thresholds, and (vi) disposal of any biologics assets prior to the Biocon Biologics initial public offering.

While the management of Biocon Biologics, including its Board of Directors, the Chief Executive Officer and Chief Financial Officer, has the authority to oversee the operations and management of Biocon Biologics and take

decisions in relation to the same, actions relating to the Reserved Matters will require prior approval from the Investor Shareholders. Therefore, Biocon Biologics may be required to obtain approval from the Investor Shareholders prior to undertaking business activities involving the Reserved Matters or comply with certain covenants in the Investor Agreements. While we have received requisite consents under the terms of the Investor Agreements in relation to this Offer, there can be no assurance that the Investor Shareholders will provide their consent for all such activities that Biocon Biologics intends to undertake in furtherance of its ongoing business. Each of the Investor Shareholders have a right to dispute actions taken by Biocon Biologics in relation to the Reserved Matters, and they may seek certain remedies under the Investor Agreements including termination, redemption of certain structured instruments, indemnity and/or damages and cross acceleration of payments under other agreements that Biocon Biologics is party to.

63. Certain facts and statistics contained in this document have come from industry or other third-party publications, the reliability of which cannot be assumed or assured.

Certain facts and statistics in this document are derived directly or indirectly from third-party sources generally believed to be reliable. While we have taken reasonable care to reproduce such information, we cannot guarantee the quality and reliability of such source material. These facts and statistics have not been independently verified by us, the BLRMs or any of our or their respective affiliates or advisors or any other parties involved in this offering and, therefore, we make no representation as to the accuracy of such facts and statistics, which may not be consistent with other industry information and may not be complete or up to date. Furthermore, market share data contained herein may be derived from the Company's internal estimates and calculations and may not accurately reflect actual market shares or may differ from market share data collected by independent third parties. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice, the facts and statistics in this document may be inaccurate and the statistics may not be comparable to statistics produced for other economies. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. In all cases, investors should give consideration as to how much weight or importance they should attach to or place on all such facts and statistics.

64. Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade. There is no guarantee that the Equity Shares will be listed, or continue to be listed, on the Indian stock exchanges in a timely manner, or at all, and prospective investors will not be able to immediately sell the Equity Shares held by them on the Stock Exchange.

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of the Equity Shares. Accordingly, there could be a failure or delay in listing the Equity Shares on the NSE, which would adversely affect your ability to sell the Equity Shares. Since the Equity Shares are currently traded on the NSE and BSE, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

65. After this Issue, the price of our Equity Shares may be highly volatile, or an active trading market for our Equity Shares may not develop.

The prices of our Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors, including:

- volatility in the Indian and global securities market or in the Rupee's value relative to the U.S. dollar, the Euro or the Yen;
- our results of operations and performance;
- perceptions about our future performance or the performance of Indian biotechnology and pharmaceutical companies generally;
- performance of our competitors in the Indian and global biotechnology and pharmaceuticals industries and the perception in the market about investments in the biotechnology and pharmaceuticals sectors;
- significant developments in the regulation of pharmaceuticals and biotechnology in our key markets;
- adverse media reports on the Company or the Indian and global biotechnology or pharmaceuticals industries;

- changes in the estimates of our performance or recommendations by financial analysts;
- significant developments in India's economic liberalisation and deregulation policies; and
- significant developments in India's fiscal and environmental regulations.

There can be no assurance that an active trading market for our Equity Shares will be sustained after this Issue, or that the prices at which our Equity Shares are currently traded will correspond to the prices at which our Equity Shares will trade in the market subsequent to this Issue. Our share price could be volatile and may decline.

66. An investor will not be able to sell any of the Equity Shares subscribed in the Issue other than on a recognized Indian stock exchange for a period of one year from the date of allotment of such Equity Shares.

Pursuant to the SEBI ICDR Regulations, for a period of one year from the date of the allotment of the Equity Shares in the Issue, investors subscribing the Equity Shares in the Issue may only sell such Equity Shares on NSE or BSE and may not enter into any off-market trading in respect of such Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. This may affect the liquidity of the Equity Shares subscribed by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares subscribed by investors. For further information, see "*Selling Restrictions*" and "*Transfer Restrictions*". You are required to inform yourself on, and observe, these restrictions. Our Company and its representatives and agents will not be obligated to recognise any acquisition, transfer or resale of the Equity Shares offered in the Issue made other than in compliance with applicable law.

67. Investors may be subject to Indian taxes arising out of income arising on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realised on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax ("**STT**"), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realised on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

Similarly, any business income realised from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. Additionally, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, the tax payable by an assessee on the capital gains arising from transfer of long term capital asset (introduced as section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed ₹100,000, subject to certain exceptions in case of a resident individuals and HUF.

68. Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by any promoters of the Company may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by any of our promoters or members of such promoters' group may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

69. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "*Selling Restrictions*" and "*Transfer Restrictions*".

70. Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, U.S. GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition.

Our Audited Consolidated Financial Statements for Fiscals 2025, 2024 and 2023 have been prepared and presented in conformity with Ind AS. Ind AS differs in certain significant respects from Indian GAAP, IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should be limited accordingly.

71. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

72. **Bidders are not allowed to withdraw or revise downwards their Bids after the Issue Closing Date.**

In terms of the SEBI ICDR Regulations, Bidders are not allowed to withdraw their Bids after the Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the Bidder's demat account with depository participant could take approximately seven days and up to 10 days from the Issue Closing Date. However, there is no assurance that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in the business, results of operations and financial condition of our Company, or other events affecting the Bidder's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment of Equity Shares in the Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of the Equity Shares. The Bidders shall not have the right to withdraw their Bids in the event of any such occurrence. Our Company may complete the Allotment of the Equity Shares even if such events may limit the Allottees' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

MARKET PRICE INFORMATION

As on the date of this Preliminary Placement Document, our Company's issued, subscribed and paid-up capital comprises 1,200,600,000 Equity Shares of face value of ₹ 5 each. The Equity Shares have been listed on BSE and on NSE.

On June 13, 2025 the closing price of the Equity Shares on BSE and NSE was ₹ 355.45 and ₹ 355.40 per Equity Share. Since the Equity Shares are available for trading on BSE and NSE, the market price and other information for each of NSE and BSE has been given separately.

(i) The following tables set forth the reported high, low and average of the closing prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded and the total trading turnover for the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023:

BSE

Fiscal	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in millions)	Low (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in millions)	Average price for the year (₹)	Total Volume of Equity Shares traded in the fiscals (in number)	Total Turnover of Equity Shares traded in the fiscals (₹ in million)
2025	401.05	January 20, 2025	215,880	85.96	261.70	April 19, 2024	346,632	91.05	341.32	61,762,994	20,601.15
2024	298.75	February 6, 2024	710,921	211.63	208.85	April 3, 2023	1,084,638	226.95	253.19	62,519,347	16,250.74
2023	382.30	April 27, 2022	66,485	25.15	198.80	March 24, 2023	500,372	100.84	288.61	56,996,542	15,441.63

(Source: www.bseindia.com)
1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.

NSE

Fiscal	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the year (₹)	Total Volume of Equity Shares traded in the fiscals (in number)	Total Turnover of Equity Shares traded in the fiscals (₹ in million)
2025	401.55	January 20, 2025	80,26,751	3,196.39	261.65	April 19, 2024	5,479,033	1,439.29	341.37	1,348,122,704	455,533.60
2024	298.55	February 6, 2024	23,649,986	7,038.73	209.35	April 3, 2023	3,426,689	718.95	253.22	1,147,652,443	297,634.23

2023	381.95	April 27, 2022	2,724,204	1,031.79	198.70	March 24, 2023	6,907,260	1,389.12	288.66	715,601,459	194,828.70

(Source: www.nseindia.com)
1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.

(ii) The following tables set out the reported high and low closing prices of our Equity Shares recorded on the BSE and the NSE and the number of Equity Shares traded on the days on which such high and low prices were recorded and the turnover of Equity Shares traded in each of the last six months preceding this Preliminary Placement Document:

BSE

Month	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in million)
May 2025	346.60	May 7, 2025	105,213	36.19	318.65	May 2, 2025	24,679	7.90	334.90	2,432,230	815.07
April 2025	345.55	April 3, 2025	216,727	75.94	305.20	April 9, 2025	163,276	50.28	326.17	2,302,078	748.76
March 2025	349.35	March 25, 2025	46,305	16.17	304.90	March 3, 2025	211,755	63.33	333.94	2,485,000	809.18
February 2025	396.85	February 6, 2025	259,693	102.91	302.60	February 28, 2025	173,207	52.53	351.00	2,819,435	996.59
January 2025	401.05	January 20, 2025	215,880	85.96	355.60	January 29, 2025	166,730	60.05	375.88	6,021,219	2,282.01
December 2024	379.90	December 6, 2024	66,732	25.23	329.55	December 23, 2024	68,032	22.70	359.24	2,366,426	855.82

(Source: www.bseindia.com)
1. High, low and average prices are based on the daily closing prices.
2. In case of two days with the same high or low price, the date with the higher volume has been chosen.

NSE

Month	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in million)	Low (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in million)	Average price for the month (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in million)
May 2025	346.50	May 7, 2025	5,299,681	1,823.67	318.90	May 2, 2025	13,73,678	441.35	334.92	6,46,77,242	21,682.49

April 2025	345.75	April 3, 2025	3,567,999	1,249.97	306.30	April 9, 2025	3,481,679	1,074.59	326.22	50,207,418	16,329.65
March 2025	349.30	March 24, 2025	1,156,746	403.53	305.05	March 3, 2025	3,555,060	1,060.46	334.02	42,310,907	13,926.18
February 2025	396.95	February 6, 2025	6,664,546	2,641.38	302.45	February 28, 2025	4,697,901	1,423.03	351.06	70,317,240	24,742.77
January 2025	401.55	January 20, 2025	8,026,751	3,196.39	355.70	January 29, 2025	4,128,263	1,487.21	375.98	141,884,626	53,803.50
December 2024	380.05	December 6, 2024	2,246,090	850.62	329.55	December 23, 2024	2,007,668	671.03	359.31	67,574,150	24,333.80

((Source: www.nseindia.com)
1. High, low and average prices are based on the daily closing prices.
2. In case of two days with the same high or low price, the date with the higher volume has been chosen.

(iii) The following table sets forth the market price on the Stock Exchanges on April 24, 2025, the first working day following the approval dated April 23, 2025 of our Board for the Issue:

NSE						**BSE**					
Open (₹)	**High (₹)**	**Low (₹)**	**Close (₹)**	**Number of Equity Shares traded**	**Volume (₹ in million)**	**Open (₹)**	**High (₹)**	**Low (₹)**	**Close (₹)**	**Number of Equity Shares traded**	**Volume (₹ in million)**
334.00	335.00	325.05	335.70	4,713,095	1,546.47	335.65	335.65	325.00	326.40	209,277	68.67

(Source: www.nseindia.com and www.bseindia.com)

USE OF PROCEEDS

The Proceeds from the Issue aggregate to ₹ [●] million ("**Issue Proceeds**"). Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions, and the estimated expenses of the Issue of approximately ₹ [●] million, shall be approximately ₹ [●] million (the "**Net Proceeds**").

Objects of the Issue

Subject to the compliance with applicable laws and regulations, our Company intends to utilize the Net Proceeds to finance the following:

1. Purchase of outstanding optionally convertible debentures issued by our Subsidiary, Biocon Biologics Limited from Goldman Sachs India AIF Scheme- 1 and Goldman Sachs India Alternative Investment Trust AIF Scheme – 2;

2. Repayment, pre-payment or redemption, in full or in part, of certain outstanding financial instruments issued and/or borrowings availed by our Company, and/or meeting other financial commitments of our Company; and

3. General corporate purposes. (collectively, referred to as the "**Objects**")

The main objects and objects necessary in furtherance to the main objects of the memorandum of association of our Company enable us to undertake its: (i) existing activities; and (ii) the activities proposed to be funded from the Net Proceeds. In the event of a change in the final Issue size, the amounts shown in the table above against each of the use of proceeds specified therein shall be modified basis the final Issue size in the Placement Document.

Requirement of funds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

(in ₹ million)

Sr. No.	Particulars	Amount
1.	Purchase of outstanding optionally convertible debentures issued by our Subsidiary, Biocon Biologics Limited from Goldman Sachs India AIF Scheme- 1 and Goldman Sachs India Alternative Investment Trust AIF Scheme – 2	17,100^
2.	Repayment, pre-payment or redemption, in full or in part, of certain outstanding financial instruments issued by our Company, borrowings availed by our Company, and/or meeting other financial commitments of our Company	27,150
3.	General corporate purposes[(1) (2)]	[●]
Total Net Proceeds[(2)]		**[●]**

^The INR equivalent of the proposed amount has been calculated based on the exchange rate of 1 USD = ₹ 86.15.

(1) To be determined upon finalisation of the Issue Price and updated in the Placement Document. The amount to be utilised for general corporate purposes shall not exceed 25% of the Issue Proceeds.

(2) To be determined upon finalisation of the Issue Price.

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(in ₹ million)

Sr. No.	Particulars	Amount which will be financed from Net Proceeds*	Proposed schedule for deployment of the Net Proceeds	Proposed schedule for deployment of the Net Proceeds
			Fiscal 2026	Fiscal 2027
1.	Purchase of outstanding optionally convertible debentures issued by our Subsidiary, Biocon Biologics Limited from Goldman Sachs India AIF Scheme- 1 and Goldman Sachs India Alternative Investment Trust AIF Scheme – 2	17,100^	17,100	-
2.	Repayment, pre-payment or redemption, in full or in part, of certain outstanding	27,150	6,000	21,150

	financial instruments issued by our Company, borrowings availed by our Company, and/or meeting other financial commitments of our Company			
3.	General corporate purposes[(1)] [(2)]	[●]	[●]	[●]
Total Net Proceeds[(2)]		**[●]**	**[●]**	[●]

^The INR equivalent of the proposed amount has been calculated based on the exchange rate of 1 USD = ₹ 86.15.

(1) To be determined upon finalisation of the Issue Price and updated in the Placement Document. The amount to be utilised for general corporate purposes shall not exceed 25% of the Issue Proceeds.

(2) To be determined upon finalisation of the Issue Price.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our internal management estimates, prevailing market conditions, operating plans, terms and conditions of financial instruments and/or borrowings and the growth strategies of our Company and other commercial factors, which are subject to change in the future. However, these fund requirements and proposed deployment of Net Proceeds have not been appraised by any external/independent agency or any bank or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market conditions, business and strategy, competition and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure, implementation schedule and funding requirements, including the planned expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable laws. For details, see "*Risk Factors- Our funding requirements and proposed deployment of the Net Proceeds of the Issue have not been appraised by a bank or a financial institution and if there are any delays or cost overruns, our business, cash flows, financial condition and results of operations may be adversely affected."* on page 72.

In the event that the estimated utilization of the Net Proceeds is not completely met (in full or in part) as per the timelines set out above, due to the reasons stated above, the same shall be utilized in subsequent periods, as may be determined by our management, in accordance with applicable laws. Further, our Company may also utilise any portion of or the entire Net Proceeds, towards the aforementioned Objects, ahead of the estimated schedule of deployment specified above. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilization towards the objects is lower than the proposed deployment, such balance will be used for general corporate purposes, in accordance with applicable law, to the extent that the total amount to be utilized towards general corporate purposes does not exceed 25% of the Issue Proceeds.

Details of Objects

1. **Purchase of outstanding optionally convertible debentures issued by our Subsidiary, Biocon Biologics Limited from Goldman Sachs India AIF Scheme- 1 and Goldman Sachs India Alternative Investment Trust AIF Scheme – 2**

Our Subsidiary, Biocon Biologics Limited ("**BBL**"), had issued an aggregate of 1,125 unlisted, unsecured, redeemable, optionally convertible debentures ("**OCDs**") having a face value of ₹10 million each, aggregating to ₹11,250 million, to Goldman Sachs India AIF Scheme – 1, a scheme established under the Goldman Sachs India Alternative Investment Trust, pursuant to a securities subscription agreement dated November 7, 2020, as amended by the first amendment agreement dated December 4, 2020, and the second amendment agreement dated July 9, 2021, entered into between our Company, BBL, and the Goldman Sachs Schemes (collectively, "**SSA**"). Subsequently, on June 10, 2021, 1,074 OCDs were transferred from Goldman Sachs India AIF Scheme – 1 to Goldman Sachs India AIF Scheme – 2, both being schemes established under the Goldman Sachs India Alternative Investment Trust (together, the "**Goldman Sachs Schemes**").

The OCDs have a tenure of 61 months and carry a fixed interest rate of 5.00% per annum, accruing annually on a compounded and cumulative basis, with interest payable only upon redemption. The holder of the OCDs is entitled, at any time during the tenure, to convert the OCDs into equity shares of BBL. Upon conversion, the OCDs shall be converted into 41,111,689 equity shares at a conversion price of ₹273.65 per equity share. If the OCDs are not converted within the tenure, such OCDs shall be redeemed at maturity, with BBL liable to pay the face value of the OCDs along with all accrued and unpaid interest up to the redemption date and other components in line with terms of OCDs.

The Company proposes to utilise ₹ 17,100[*]million from the Net Proceeds towards the purchase of the OCDs of BBL from the Goldman Sachs Schemes, pursuant to the debenture purchase agreement dated April 10, 2025 ("**DPA**"), as amended on May 31, 2025. The aggregate purchase consideration for OCDs in terms of DPA is USD 198.50 million, which is equivalent to ₹ 17,100 million[*] ("**Purchase Consideration**").

** The INR equivalent of the proposed amount has been calculated based on the exchange rate of 1 USD = ₹ 86.15*

Final purchase consideration in INR will be determined based on the USD-INR exchange rate published by the Reserve Bank of India as on the closing date i.e., completion of purchase of OCDs by the Company in terms of DPA ("**Closing Date**"). In the event the actual exchange rate on the date of payment is higher than the aforementioned rate, the incremental amount required for completing the transaction shall be funded through internal accruals or by availing debt or other financial arrangements from banks and financial institutions in accordance with applicable law. The Purchase Consideration is inclusive of accrued interest and other applicable amounts, assuming the Closing Date to be on or prior to June 30, 2025. Further, our Company may be subject to payment of additional consideration in the event Closing Date extends to July 7, 2025, and may further be subject to payment of liquidated damages in terms of DPA in the event Closing Date extends beyond July 7, 2025.

In accordance with the terms of the SSA and DPA, as on the date of this Preliminary Placement Document, the interest accrued on the OCDs shall form part of the purchase consideration to be paid by our Company to the Goldman Sachs Schemes. Further interest, as may accrue on the OCDs, shall be payable by BBL on redemption of the OCDs. Any incremental cost associated with the aforementioned purchase transaction, including but not limited to stamp duty and applicable taxes, over and above the proposed utilisation from the Net Proceeds, shall be funded by our Company through internal accruals or debt financing, as applicable.

In the event that the Issue is withdrawn, not completed, or delayed beyond the long stop date of July 7, 2025, the Company will remain obligated to complete the purchase of the OCDs in accordance with the terms of the DPA and shall fund such purchase through internal accruals or alternative sources of financing, including by availing debt from banks and/or financial institutions and/or corporates including bridge loans or by raising funds from further issuances of Equity Shares or other securities, as may be appropriate and permissible under applicable law.

This acquisition aligns with the Company's long-term strategic objectives and will result in an increase in its ownership interest in BBL, pursuant to a transaction undertaken on mutually agreed commercial terms.

The shareholding pattern (on a diluted basis post conversion of the OCDs) of BBL as on the date of this Preliminary Placement Document and after the proposed purchase of the OCDs by the Company are given below:

Biocon Biologics Limited				
Name of the Shareholders	**Pre-purchase of OCDs by the Company (As on date of this Preliminary Placement Document)**		**Post-purchase of OCDs by the Company (As on date of this Preliminary Placement Document)**	
	Total number of equity shares of ₹ 10 each on a diluted basis	**% of total shareholding on a diluted basis**	**Total estimated number of equity shares of ₹ 10 each on a diluted basis**	**% of total estimated shareholding on a diluted basis**
Biocon Limited	1,196,473,521	71.38	1,237,585,210	73.84

Note: Table above discloses shareholding of our Company in BBL on a fully diluted basis, considering 1,125 OCDs being converted into 41,111,689 equity shares of BBL at a conversion price of ₹273.65 per equity share of BBL in line with terms of conversion in SSA. Finalised number of equity shares of BBL that may be allotted to our Company upon conversion of OCDs in future may vary.

As mentioned above, we intend to utilise Net Proceeds for purchase the OCDs issued by BBL from Goldman Sachs Schemes. While the Goldman Sachs Schemes are the affiliates of one of the BRLMs, Goldman Sachs (India) Securities Private Limited, however they are not an associate of our Company in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. Further, such issuance of OCDs to Goldman Sachs Schemes are part of their normal commercial lending activity.

2. **Repayment, pre-payment or redemption, in full or in part, of certain outstanding financial instruments issued by our Company, borrowings availed by our Company, and/or meeting other financial commitments of our Company**

We have entered into financing arrangements with banks and financial institutions in the ordinary course of our business from time to time, including term loans, working capital loans, non-convertible debentures, commercial papers and non-fund-based facilities. As on March 31, 2025, our borrowings were ₹ 28,710 million, on a standalone basis, and ₹ 177,555 million, on a consolidated basis.

Additionally, we have, from time to time, entered arrangements with certain investors in the ordinary course of business in relation with their investments made in our Company and/or Subsidiaries, including shareholders agreements and securities subscription agreements pursuant to issuance of equity shares, compulsorily convertible debentures and/or other securities by Company and/or our Subsidiaries. Our subsidiary, BBL has issued (a) 10,686,044 unsecured, redeemable, 12% compulsorily convertible debentures with a variable coupon on a private placement basis for ₹3,000 million to ESOF III Investment Fund and Edelweiss Alternative Asset Advisors Limited; and (b) equity shares to Tata Capital Growth Fund-II

and Activ Pine LLP, for an aggregate consideration of ₹4,613 million on September 3, 2020 and January 21, 2020, respectively (collectively, the "**Investors**").

Our Company, being Promoter of BBL, has certain financial commitments and obligations to provide exit to Investors over a period of time, in accordance with terms and condition of the Shareholders Agreement dated May 16, 2023 ("**SHA**"). Pursuant to the terms of SHA, in the event liquidity event do not occur within the agreed timelines, the Investors have the right to require our Company to purchase securities issued to them by BBL, at a commercially agreed price, in accordance with the terms of SHA. Accordingly, in line with Indian Accounting Standards (Ind AS), the associated gross financial obligation has been classified as a non-current liability in our Fiscal 2025 Audited Consolidated Financial Statements. As at March 31, 2025, the gross liability on account of these obligations stood at ₹14,186 million on a consolidated basis. A portion of the Net Proceeds is proposed to be utilised towards the settlement of aforementioned financial commitments.

As on date of this Preliminary Placement Document, our Company or BBL have not entered into any definitive arrangements for settlement, fulfilment, purchase or restructuring of aforementioned financial commitments. Final consideration payable towards Company's financial commitments will be determined at a future date based on mutual agreement between the parties, prevailing commercial terms, and subject to receipt of requisite approvals, consents and permissions under applicable laws and contractual arrangements, as applicable. Any additional amounts that may be payable by the Company including, inter alia, on account of changes in the fair market value of relevant instruments, accrued interest, or other applicable charges will be met through internal accruals or debt financing, as may be finally determined by the Board.

The following table provides details of certain borrowings availed by our Company, non-convertible debentures issued by our Company, and financial commitments undertaken by our Company in connection with securities issued by BBL, which are outstanding as on May 31, 2025. Our Company currently proposes to utilise a portion of the Net Proceeds towards the repayment, prepayment, redemption, settlement, or restructuring in full or in part, of such borrowings, securities and financial commitments or towards any other financial commitments, obligations or for such restructuring as may be finally determined by the Board.

The amounts outstanding may vary from time to time based on drawdowns, repayments, commercial terms and prevailing interest rates. Our Company may, in the ordinary course of business, refinance, roll over or restructure all or part of such borrowings, securities or financial commitments, and accordingly, the Net Proceeds may be used to repay, redeem, prepay settle or restructure such refinanced, rolled over or new obligations, as applicable.

[*Remainder of this page has been intentionally left blank*]

Sr.No.	Nature of borrowing, securities and/or financial commitment	Name of the lenders/Allottees	Principal amount sanctioned (₹ in million)	Principal amount outstanding (₹ in million)	Interest amount and/or fair value movement outstanding (₹ in million)	Total amount outstanding (₹ in million)	Rate of Interest (% per annum)	Tenor	Repayment Schedule / scheduled redemption date	Prepayment/ early redemption penalty	Purpose*
1.	Commercial paper[(1)]	SBI Mutual Fund-SBI Savings Fund	6,000.00	6,000.00	-	6,000.00	7.75	161 days	Bullet repayment on September 30, 2025	NA	Refinancing of existing borrowing
2.	Non-Convertible Debentures	Kotak Special Situations Fund	10,700.00	10,700.00	3,617.00**	14,317.00**	IRR 12% + Variable coupon	5 years	Bullet repayment in 5 years	NA	Refinancing the acquisition debt incurred for the acquisition of Viatris
3.	Non-Convertible Debentures	ESOF III Investment fund	4,719.10	4,719.10	1,506.20**	6,225.30**	IRR 12% + Variable coupon	4 years	Bullet repayment in 4 years	NA	Refinancing part of the acquisition debt incurred for the acquisition of Viatris
4.	Non-Convertible Debentures	Edelweiss Alternative Asset Advisors Ltd.	280.90	280.90	89.80**	370.70**	IRR 12% + Variable coupon	4 years	Bullet repayment in 4 years	NA	Refinancing part of the acquisition debt incurred for the acquisition of Viatris
5.	Financial commitments	Active Pine LLP, Tata Capital Growth Fund II, ESOF III Investment Fund and Edelweiss Alternative Asset Advisors Limited	10,613.00	10,613.00	3,573.00**	14,186.00**	Fair valuation of underlying instrument	4-6 years	NA	NA	General Corporate purpose including Refinancing the acquisition debt incurred for the acquisition of Viatris
	Total			**32,312.90**	**8,786.00**	**41,099**					

**Our Company has obtained a certificate dated June 16, 2025 from Bashetty & Joshi, Chartered Accountants, certifying that the borrowings and financial commitments mentioned in the table above have been incurred and utilised for purposes consistent with their respective terms.*

*** As per fair valuation as on March 31, 2025*

(1) The Commercial Paper of our Company are listed on the debt market segment of NSE. On April 22, 2025, the Company issued commercial paper to SBI Mutual Fund for ₹ 6,000 million to refinance the commercial paper issued to Nippon India Mutual Fund. Additionally, pursuant to issuing and paying agency agreement dated November 14, 2022, our Company had appointed HDFC Bank Limited as the issuing and paying agent.

The selection of borrowings proposed to be repaid or financial commitments proposed to be settled as disclosed above will be based on various factors, including (i) costs and expenses relating to the borrowings, including applicable interest rates, (ii) terms and conditions applicable to the borrowings or financial commitment, (iii) provisions of any law, rules or regulations governing such borrowings or financial commitments, and (iv) other commercial considerations including, among others, the amount outstanding, the remaining tenor of the borrowings or finalised terms of settlement of financial commitments. We believe that such repayment, redemption or prepayment will help reduce our outstanding indebtedness and our debt-equity ratio and enable utilization of our internal accruals for further investment in business growth. In addition, we believe that the strength of our balance sheet and our leverage capacity may further improve, which may enable us to raise further capital in the future at competitive rates to fund potential business development opportunities and plans to grow and expand our business in the coming years.

Given the nature of non-convertible debentures, commercial paper and certain financial commitments, and the terms governing their repayment, prepayment, redemption or settlement, the aggregate outstanding amounts, as set out in the table above, may vary from time to time. The amounts outstanding under such instruments and commitments, as well as their sanctioned or committed limits, are subject to various factors and may fluctuate based on our working capital requirements, refinancing cycles, contractual timelines or short-term funding needs, including intermediate redemptions, reissuances, rollovers or deferments permitted under applicable law or contractual arrangements. Any additional amounts required for servicing, repayment or settlement of such instruments or financial commitments, over and above the proposed utilisation from the Net Proceeds, shall be met through internal accruals or other available sources, including equity and/or debt financing, as applicable. Further, to the extent our Company is subject to any prepayment premiums, redemption penalties, contractual adjustments, stamp duty, taxes or other incidental costs in connection with the repayment, prepayment, redemption or settlement of such obligations—based on the applicable terms and conditions—such amounts shall also be funded through internal accruals or alternative sources of financing.

As mentioned above, we propose to redeem certain non-convertible debentures obtained from Kotak Special Situations Fund from the Net Proceeds. While Kotak Special Situations Fund is an affiliate of one of the BRLMs, Kotak Mahindra Capital Company Limited, it is not an associate of our Company in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992. Further, such financials instruments issued to our Company by Kotak Special Situations Fund are part of their normal commercial lending activity.

3. General Corporate Purposes

The Net Proceeds will first be utilized towards the Objects as set out above and in compliance with the circular bearing reference no. NSE/ CML/2022/56 dated December 13, 2022, issued by NSE and circular no. 20221213- 47 dated December 13, 2022, issued by BSE. Subject to this, our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] million towards general corporate purposes, subject to such amount not exceeding 25% of the Issue Proceeds in accordance with the applicable law. The general corporate purposes for which our Company proposes to utilize the Net Proceeds include fulfilment of other financial commitments of Company or its subsidiaries, investments in subsidiaries, other strategic initiatives, working capital requirements, business development activities, funding growth opportunities, including acquisitions and meeting exigencies, meeting expenses, other expenditure considered expedient by our Company, as may be applicable and approved by our Board, from time to time.

In addition to the above, our Company may utilize the Net Proceeds towards other expenditure considered expedient and as approved periodically by our Board or a duly appointed committee thereof, subject to compliance with applicable laws, including necessary provisions of the Companies Act. The quantum of utilization of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. The use of proceeds indicated hereinabove is based on management estimates, current circumstances of our business and the prevailing market conditions, which are subject to change in the future, and have not been appraised by any bank or financial institution or any other independent agency.

Monitoring of utilization of funds

Pursuant to Regulation 173A of the SEBI ICDR Regulations, our Company has appointed India Ratings and Research Private Limited, a credit rating agency registered with the SEBI, as the monitoring agency ("**Monitoring Agency**") by way of an agreement dated June 16, 2025, as the size of the Issue exceeds ₹1,000 million. The Monitoring Agency shall submit its report to our Company in the format specified in Schedule XI of the SEBI ICDR Regulations on a quarterly basis, till 100% of the Issue Proceeds have been utilized. The board of directors and the management of our Company will provide their comments on the findings of the Monitoring Agency as specified in Schedule XI of the SEBI ICDR Regulations.

Our Company shall, within 45 days from the end of each quarter, upload the report of the Monitoring Agency on our website, www.biocon.com, and also submit the same to the Stock Exchanges. Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications

of the Net Proceeds. On an annual basis, our Company shall (i) prepare a statement of funds utilized for purposes other than those stated in this Preliminary Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized; and (ii) disclose every year, the utilization of Net Proceeds during that year in its annual report. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The report of the Monitoring Agency shall be placed before our Audit Committee on a quarterly basis, promptly upon its receipt.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Issue from the Objects, as stated above; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the Objects, as stated above. This information will also be published on our website simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee.

Interim use of Net Proceeds

Pending utilization of the Net Proceeds towards the purposes described in this section, our Company intends to deposit the Net Proceeds in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934 or to temporarily invest the funds in creditworthy instruments, including money market / liquid / overnight mutual funds, as approved by the Board and/or a duly authorized committee of the Board, from time to time, and in accordance with applicable laws. Such investments would be in accordance with the investment policies as approved by our Board from time to time and applicable laws. In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges.

Other confirmations

Our Company's management will have flexibility in deploying the Net Proceeds received by our Company from the Issue in accordance with applicable laws. Neither of our Promoters, members of the Promoter Group nor our Directors are making any contribution either as part of the Issue or separately in furtherance of the Objects. Further, neither our Promoters nor members of our promoter group nor our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, members of the Promoter Group, Directors, Key Managerial Personnel or Senior Management are not eligible to subscribe to the Issue.

CAPITALISATION STATEMENT

The following table sets forth our capitalization and total borrowings, on a consolidated basis, as at March 31, 2025 which has been derived from our Audited Consolidated Financial Statements and as adjusted to give effect to the receipt of the Issue Proceeds.

This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Information*" on pages 359 and 99, respectively.

(All amounts in ₹ million, unless otherwise stated)

Particulars	Pre-Issue (as at March 31, 2025) (audited consolidated)	Post-Issue as adjusted*#^
Borrowings		
Current borrowings (I)	53,501	[●]
Non-current borrowings (II)	124,054	[●]
Total borrowings (III = I + II)	**177,555**	**[●]**
Equity		
Equity share capital (IV)	6,003	[●]
Other equity (V)	210,437	[●]
Equity attributable to owners of the Company (VI = IV + V)	216,440	[●]
Non-controlling interest (VII)	60,685	[●]
Total equity (VIII = VI + VII)	**277,125**	**[●]**
Ratio: Total borrowings / Total equity (in times) (IX = III/ VIII)	0.64	[●]

**To be updated upon finalization of the Issue Price*
#Adjustments do not include Issue related expenses
^As adjusted to reflect the number of Equity Share issued pursuant to the Issue
***Note**: These terms shall carry the meaning as per Schedule III to the Companies Act, 2013 (as amended)*

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Preliminary Placement Document is set forth below:

(In ₹, except share data, and unless otherwise stated)

	Particulars	Aggregate value at face value (except for securities premium account)
A	**AUTHORIZED SHARE CAPITAL**	
	1,400,000,000 Equity Shares of face value of ₹ 5 each	7,000,000,000
B	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**	
	1,200,600,000 Equity Shares of face value of ₹ 5 each	6,003,000,000
C	**PRESENT ISSUE IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT**	
	Up to [●] Equity Shares aggregating up to ₹ [●] million[(1)(2)]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE**	
	[●] Equity Shares[(2)]	[●]
E	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue	2,581 million
	After the Issue[(3)]	[●]

(1) Subject to finalisation of the Allotment pursuant to the Issue. The Issue has been authorised and approved by our Board pursuant to a resolution dated April 23, 2025 and by our shareholders pursuant to a resolution passed through postal ballot on June 4, 2025.

(2) To be determined upon finalisation of the Issue Price.

(3) The securities premium account after the Issue will be calculated on the basis of Issue Proceeds. Adjustments do not include Issue related expenses.

Equity share capital history of our Company

The history of the equity share capital of our Company is set forth below:

Date of allotment	Nature of allotment	No. of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration
November 29, 1978	Initial Subscription to the Memorandum of Association	50	100	100	Cash
April 1, 1979	Further issue of equity shares	650	100	100	Cash
December 26, 1979	Further issue of equity shares	800	100	100	Cash
November 26, 1980	Further issue of equity shares	500	100	100	Cash
November 7, 1981	Further issue of equity shares	1000	100	100	Cash
July 22, 1982	Further issue of equity shares	2,000	100	100	Cash
November 27, 1982	Further issue of equity shares	2,000	100	100	Cash
February 18, 1983	Further issue of equity shares	1,500	100	100	Cash
December 19,1983	Further issue of equity shares	700	100	100	Cash
August 5, 1985	Further issue of equity shares	3,500	100	100	Cash
February 21,1986	Further issue of equity shares	2,300	100	100	Cash
December 4, 1989	Further issue of equity shares	300	100	100	Cash
July 27, 1994	Further issue of equity shares	100	100	100	Cash
December 19, 1996	Bonus issue of equity shares in the ratio of 2:1	30,800	100	-	NA
September 28, 1998	Allotment pursuant to conversion of fully convertible debentures to equity shares	12,000	100	100	Cash
January 3, 2000	Further issue of equity shares	45,000	100	100	Cash

Date of allotment	Nature of allotment	No. of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration
March 24, 2000	Allotment pursuant to acquisition of equity shares of Biochemizyme India Limited, Helix Biotech Limited and Biocon Bioproducts India Limited	23,471	100	4,782	Other than Cash*
March 30, 2000	Preferential allotment	22,991	100	6,524.29	Cash
August 8, 2000	Further issue of equity shares	85	100	5,000	Cash***
October 8, 2001	Further issue of equity shares	12,153	100	100	Cash
March 30, 2002	Allotment pursuant to share swap**	202,780	10	413.80	Other than Cash**
May 9, 2002	Further issue of equity shares	15,870	10	10	Cash
November 28, 2003	Bonus issue in the ratio of approximately 23.5 Equity Shares for every one Equity Share	86,324,700	5	-	N.A.
March 31, 2004	Initial Public Offering by our Company	10,000,000	5	315	Cash
September 15, 2008	Bonus issue of Equity Shares in the ratio of 1:1	100,000,000	5	-	N.A.
June 19, 2017	Bonus issue of Equity Shares in the ratio of 2:1	400,000,000	5	-	N.A.
June 15, 2019	Bonus issue of Equity Shares in the ratio of 1:1	600,000,000	5	-	N.A.
April 28, 2021	Allotment to Biocon India Limited Welfare Employee Trust under Biocon Restricted Stock Unit Long term Incentive Plan FY 2020-24	600,000	5	5	Cash

**Our Company acquired the entire shareholding of Biochemizyme India Limited, Helix Biotech Limited and Biocon Bioproducts India Limited from Glentec International, Kiran Mazumdar-Shaw and others in exchange for issue of shares by our Company.*

*** Our Company acquired 99.99% of Syngene International Limited from its other shareholders, including ICICI Venture and its affiliate funds, which divested their entire stake in Syngene in exchange for issue of shares by our Company.*

**** The shares were issued pursuant to a share swap arrangement prior to the amalgamation of Helix Biotech Limited with our Company, in accordance with a swap ratio of 1 equity share of our Company for every 500 equity shares held in Helix Biotech Limited. The share application money in respect of such shares was originally paid by the allottee to Helix Biotech Limited and upon the scheme of amalgamation becoming effective, all assets and liabilities of Helix, including the benefit of such share application money, were transferred to, and vested in our Company with effect from April 1, 1999.*

Preference share capital history of our Company

As on the date of this Preliminary Placement Document, our Company does not have any outstanding preference shares.

Employees' Stock Option Scheme

ESOP 2000

Our Company instituted the Biocon Employees Stock Option Plan, 2000 ('**ESOP 2000'**), administered by the Nomination and Remuneration Committee through Biocon India Limited Employees Welfare Trust ('**ESOP Trust**'). The ESOP 2000 was originally approved by the Board of Directors on July 27, 2001 and our Shareholders on September 27, 2001. Further, employee stock options were granted to eligible employees under ESOP 2000, from time to time pursuant to multiple grants made by the Company. The shareholders of the Company pursuant to resolution dated July 26, 2019, had approved discontinuation of grant of options under last tranches i.e. Grant IX and Grant X of the ESOP 2000 effective May 1, 2019. Subsequently, pursuant to resolution passed by shareholders dated July 28, 2022, ESOP 2000 has been terminated and any cash and surplus shares accumulated with Biocon India Limited Employees Welfare Trust on account of lapse of options granted to the employees under ESOP 2000 were approved to be transferred to other share benefit schemes/ plans (existing or future) as may be implemented by the Company, after meeting all the obligations under the ESOP 2000. However, ESOP 2000 shall remain in full force and effect in respect to the options already offered and granted under the ESOP 2000 to any grantee.

The details as to grants, exercise and lapse of options for the year ended March 31, 2025 are as follows:

Particulars	Number of Equity Shares/ Options
Outstanding at the beginning of the year	13,94,455
Granted during the year	-
Lapses/forfeited during the year	(91,875)
Exercised during the year	(7,27,960)
Expired during the year	-
Outstanding at the end of the year	5,74,620
Exercisable at the end of the year	2,72,370

RSU 2020

Our Company introduced the Biocon Restricted Stock Unit (RSUs) Long-Term Incentive Plan FY 2020–24 ('RSU 2020') for the grant of RSUs to present and/or future employees of our Company and its current and future subsidiaries. RSU 2020, administered by the Biocon India Limited Employees Welfare Trust under the supervision and instructions of the Nomination and Remuneration Committee, was approved by our Board on May 14, 2020, and by the shareholders on July 24, 2020.

The RSU 2020 plan was designed to drive performance aligned with the strategic objectives approved by the Board for the financial years 2020 to 2024. The plan was subsequently amended in accordance with applicable laws, pursuant to a shareholders' resolution dated July 28, 2022.

Under RSU 2020, the Nomination and Remuneration Committee was authorized to grant up to 6,000,000 RSUs to eligible employees, in one or more tranches from time to time, which in aggregate would be exercisable into no more than 6,000,000 Equity Shares. The maximum number of RSUs that could be granted to any eligible employee in any one financial year was capped at 1% of the issued share capital of our Company as on the date of grant

The actual number of RSUs that vested each year for a grantee was determined based on individual performance conditions. Key performance parameters included growth in revenue and profits, delivery against key business/strategic initiatives, shareholder value creation, and other criteria as determined by Siddharth Mittal, our Managing Director and Chief Executive Officer, in line with the overall framework set by the Nomination and Remuneration Committee. The minimum vesting period for RSUs was one year. Vested RSUs are exercisable within three (3) years from the date of last vesting.

As on date of this Preliminary Placement Document, the RSU 2020 has concluded in respect of all grants and vesting, and only the exercise of vested RSUs, within their applicable exercise period, remains outstanding.

The details as to grants, exercise and lapse of RSUs for the year ended March 31, 2025 are as follows:

Particulars	Number of Equity Shares/ Options
Outstanding at the beginning of the year	14,31,469
Granted during the year	-
Lapses/forfeited during the year	(65,157)
Exercised during the year	(5,30,136)
Expired during the year	-
Outstanding at the end of the year	836,294
Exercisable at the end of the year	329,294

RSU 2025

Our Company has introduced the Biocon Restricted Stock Unit Long Term Incentive Plan FY 2025-29 ('RSU 2025') for the grant of RSUs to present and/or future employees of our Company and its current and future subsidiaries. RSU 2025, administered by the Biocon India Limited Employees Welfare Trust under the supervision and instructions of the Nomination and Remuneration Committee, has been approved by our Board on May 16, 2024, and by our Shareholders on August 9, 2024.

Following the conclusion of RSU 2020, RSU 2025 has been approved to continue incentivizing and aligning employee performance with our strategic objectives for the financial years 2025 to 2029.

The maximum number of RSUs that may be issued pursuant to RSU 2025 shall not exceed 6,539,000, which shall upon exercise be convertible into 6,539,000 Equity Shares, equivalent to 0.54% of the paid-up equity share capital of our

Company (as on March 31, 2024). The maximum number of RSUs that can be granted to any eligible employee during any one-year shall not be equal to or exceed 1% of the issued capital of our Company at the time of grant of RSUs.

The vesting of RSUs for eligible employees with a grant date after September 1, 2024, shall start on completion of minimum vesting period i.e. one year from the grant date, subject to individual performance appraisal. Vested RSUs are exercisable within three (3) years from the date of last vesting.

The details as to grants, exercise and lapse of RSUs for the year ended March 31, 2025 are as follows:

Particulars	Number of Equity Shares/ Options
Outstanding at the beginning of the year	-
Granted during the year	47,30,430
Lapses/forfeited during the year	(75,000)
Exercised during the year	-
Expired during the year	-
Outstanding at the end of the year	46,55,430
Exercisable at the end of the year	-

Proposed Allottees in the Issue

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the BRLM, to Eligible QIBs only, on a discretionary basis. For details of the names of the proposed Allottees and the percentage of the post Issue Equity Share Capital that may be held by them, see "*Proposed Allottees*" on page 505.

Pre-Issue and post-Issue shareholding pattern

The pre-Issue and post-Issue shareholding pattern of our Company is set forth below.

S. No.	Category	Pre-Issue[#]		Post-Issue[*]	
		No. of Equity Shares held	% of shareholding	No. of Equity Shares held	% of shareholding
A.	**Promoters holding**[**]				
1.	Indian				
	Individual	484,581,970	40.36	[●]	[●]
	Bodies corporate	-	-	[●]	[●]
	Others (Promoter Trust and HUF)	-	-	[●]	[●]
	Sub-total	**484,581,970**	**40.36**	[●]	[●]
2.	Foreign promoters	243,442,206	20.28	[●]	[●]
	Sub-total (A)	**728,024,176**	**60.64**	[●]	[●]
B.	**Non – Promoter's holding**				
1.	Institutional Investors	253,967,187	21.15	[●]	[●]
2.	Non-Institutional Investors				
	Bodies corporate	17,237,892	1.44	[●]	[●]
	Directors and relatives	7,320,441	0.61	[●]	[●]
	Indian public	166,410,468	13.86	[●]	[●]
	Others including Non-resident Indians (NRIs)	27,639,836	2.30	[●]	[●]
	Sub-total (B)	**472,575,824**	**39.36**	[●]	[●]
	Grand Total (A+B)	**1,200,600,000**	**100.00**	[●]	[●]

[#]Note: Based on the beneficiary position data of our Company as of June 13, 2025.
[*]Note: The post-Issue shareholding pattern shall be filled-in before filing of the Placement Document with the Stock Exchanges.
[**]This includes shareholding of the members of the Promoter Group.

Other confirmations

(a) No change in control of our Company will occur consequent to the Issue.

(b) Except as mentioned in "*Equity Share Capital History of our Company*", our Company has not made any

allotment of Equity Shares in the year immediately preceding the date of this Preliminary Placement Document, including for consideration other than cash, or made any allotment of Equity Shares pursuant to a preferential issue, private placement or a rights issue.

(c) Except for the units granted under RSU 2020 and RSU 2025 as well as options granted under ESOP 2000, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Preliminary Placement Document.

(d) Our Equity Shares have been listed for a period of at least one year prior to the date of the issuance of the postal ballot notice to our Shareholders, i.e., May 5, 2025, for approving the Issue.

(e) Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottee for a period of one year from the date of allotment, except on recognised stock exchanges in India.

(f) The Promoter, the Directors, the Key Managerial Personnel and members of the Senior Management of our Company do not intend to participate in the Issue. Since the Issue is only made to Eligible QIBs, our Promoter, Directors, Key Managerial Personnel and members of Senior Management are not eligible to subscribe in the Issue.

DIVIDENDS

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including the Companies Act, 2013 together with the applicable rules notified thereunder and the dividend distribution policy of our Company may be reviewed and amended periodically by our Board in accordance with the same. The dividend distribution policy of our Company was approved and adopted by our Board and is effective from April 1, 2016.

The nature and quantum of the dividend payout shall be determined by the Board after taking into account a number of internal factors and financial parameters, including (i) profitable growth of the Company and specifically profits earned during the financial year as compared with previous years and internal budgets; (ii) cash flow position of the Company and liquidity position; (iii) accumulated reserves; (iv) earnings stability; (v) future cash requirements for organic growth/expansion and/or for inorganic growth; (vi) brand acquisitions; (vii) current and future leverage and under exceptional circumstances, the amount of contingent liabilities; (viii) deployment of funds in short term marketable investments; (ix) capital expenditure(s); (x) long-term investments; and (xi) any other factors as deemed fit by the Board and a number of external factors, including (i) state of economy; (ii) market conditions; (iii) business cycles; (iv) Economic environment; (v) Cost of external financing; (vi) Any political, tax and regulatory changes in the jurisdiction in which the Company operates; (vii) Industry outlook for the future years; (viii) Inflation rate; (ix) Changes in the Government policies or industry specific rulings and regulatory requirements; and (x) any other factors as deemed fit by the Board. Apart from the above, the Board also considers past dividend history while determining the rate of dividend.

The details of dividend on Equity Shares declared and paid by our Company in the last three Financial Years, are as follows:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
No. of Equity Shares	1,20,06,00,000	1,20,06,00,000	1,20,06,00,000
Face Value of Equity Share (In ₹)	5	5	5
Interim dividend per Equity Share (In ₹)	Nil	Nil	Nil
Final dividend per Equity Share (In ₹)	0.50*	0.50	1.50
Total amount of dividend (In ₹ million)	600	600	1,801
Dividend paid/ proposed (in ₹ million)	600*	600	1,801
Dividend rate (%)	10%	10%	30%
Mode of payment of dividend	Electronic mode	Electronic mode	Electronic mode

**Approved by the board vide the board resolution dated May 8, 2025 and subject to Shareholders approval at the ensuing 47th Annual General Meeting of the Company scheduled to be held on August 08, 2025.*

The Equity Shares to be issued in connection with this Issue shall qualify for all dividends, including interim dividend, if any, that is declared in respect of the fiscal in which they have been allotted in accordance with applicable laws.

The amounts paid as dividend in the past are not necessarily indicative of our dividend distribution policy or dividend amounts payable, if any, in the future. Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in our Equity Shares offered in the Issue. There is no guarantee that any dividends will be declared or paid in the future.

FINANCIAL INFORMATION

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B S R & Co. LLP
Chartered Accountants

Embassy Golf Links Business Park,
Pebble Beach, B Block, 3rd Floor,
No. 13/2, off Intermediate Ring Road,
Bengaluru 560 071 India
Tel: +91 80 4682 3000
Fax: +91 80 4682 3999

Independent Auditor's Report

To the Members of Biocon Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Biocon Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint venture, which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements/financial information of such subsidiaries and joint venture as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and a joint venture as at 31 March 2023, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Taxation	
See Note 2(n), 34 and 38 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Group operates across different tax jurisdictions around the world and is subject to complexities with respect to various tax positions on matters such as: - deductibility of transactions - availability of tax incentives / exemptions, - cross border transfer pricing arrangements etc. Uncertainty in a tax position may arise as tax laws are subject to interpretation. Judgment is required in assessing the range of possible outcomes for some of these tax matters. These judgments could change over time as each of the matter progresses depending on experience on actual assessment proceedings by tax authorities and other judicial precedents. The Group makes an assessment (including obtaining opinion from external legal experts) to determine the outcome of these uncertain tax positions and decides to make an accrual or consider it to be a possible contingent liability. Where the amount of tax liabilities are uncertain, the Group recognizes accruals which reflect its best estimate of the outcome based on the facts known in the relevant jurisdiction. Accordingly, we focused on this area.	Our audit procedures in relation to Taxation include the following: • We tested the design and operating effectiveness of the Group's controls around the tax computation and tax matters; • We obtained an understanding of the key uncertain tax positions based on list of ongoing litigations and tax computations for the current year; • We anlaysed the implications of correspondence received by the Company from the relevant tax authorities to identify any additional uncertain tax positions; • We analysed the Group's judgment regarding the eventual resolution of matters with various tax authorities. In this regard, we understood how the Group has considered past experience, where available, with the tax authorities in the respective jurisdictions; • We also considered external legal opinions and consultations made by the Group for key matters during current and past periods; and • We involved tax specialists to assist us in evaluating the technical merits of tax position to form a judgement and the key assumptions made by the Group in tax computations and assessing the adequacy of the Group's disclosures in respect of contingent liabilities and provision for tax matters.

Financial instrument- hedge accounting	
See Note 2(c) and 36 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Group enters into forward, option and interest rate swap contracts to hedge its foreign exchange and interest rate risks. Foreign exchange risks arise from sales to customers as significant part of its revenues are denominated in foreign currency with most of the costs denominated in Indian Rupees (INR). Foreign exchange risks also arise from foreign currency borrowings. The interest rate risks arises from the variable rate of interest on its foreign currency borrowings. The Group designates a significant portion of its derivatives as cash flow hedges of highly probable forecasted transactions. Derivative financial instruments are recognized at their fair value as of the balance sheet date on the basis of valuation report obtained from third party specialists. Basis such valuations, effective portion of derivative movements are recognized within equity. These matters are of importance to our audit due to complexity in the valuation of derivative contracts and complex accounting and documentation requirements under Ind AS 109: "Financial Instruments".	Our audit procedures in relation to hedge accounting include the following, amongst others: • We tested the design and operating effectiveness of the Group's controls around hedge accounting; • We involved valuation specialists (auditors expert) to assist in review of the valuation reports of the Company's valuation specialists to assess the fair value of the derivatives by testing sample contracts; • We analyzed critical terms (such as nominal amount, maturity and underlying) of the hedging instrument and the hedged item to assess they are closely aligned; • We analysed the estimate of highly probable forecasted transactions and tested the impact of ineffective hedges, if any; and • We verified the accounting of derivative financial instruments including the effects on equity and earnings.

Revenue	
See Note 2(l) to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
Revenue from sale of goods 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 is usually transferred upon shipment, delivery to certain named location, or upon receipt of goods by the customer, in accordance with the delivery and acceptance terms agreed with the customers and other terms generally recognised under internationally accepted commercial arrangements. Additionally, under certain bill and hold arrangements revenues are recognised based on specific requests from the customer to invoice certain goods pending deliveries at period end based on the specific criteria as required under Ind AS 115: Revenue from Contracts with Customers. The amount of revenue to be recognised is based on the consideration expected to be received in exchange for goods, excluding trade discounts, volume discounts, sales returns and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, goods and services tax etc., where applicable. During the current year, the Group's biosimilar business has entered into a significant out-licensing arrangements and given the terms of these arrangements, the accounting is complex and requires significant judgement being applied to determine if the initial non-refundable fee received should be recognised upfront or deferred over the future periods considering other performance obligations, if any, are satisfied. With respect to out-licensing arrangements, the risk is to determine, whether all the identified performance obligations meet the criteria of being distinct and consequently its impact on timing and pattern of revenue recognition.	Our audit procedures in relation to revenue recognition includes the following: • We assessed the appropriateness of the Group's revenue recognition accounting policies and assessed compliance with the policies in terms of applicable accounting standards. • We tested the design and operating effectiveness of the Group's controls around revenue recognition including general IT controls and key IT application controls. • We performed substantive testing (including year-end cut-off testing) by selecting samples of revenue transactions recorded during the year and verifying the underlying documents, which includes sales invoices/contracts and shipping documents. • We substantively tested the specific requests from customers at the period end to evaluate transfer of control relating to the bill and hold arrangements. • Assessing journal entries posted to revenue to identify unusual items not already covered by our audit testing. • We assessed the appropriateness of audit procedures performed by the component auditor on revenues for the entities audited by them. We read their reporting to us including procedures in compliance with the requirements of SA 600: Using the Work of Another Auditor, for the purpose of our audit of consolidated financial statements. • For material out-licensing arrangements, we read the contract with the customer to determine the performance obligations agreed by the Company and assessed if they are distinct and / or they should be combined with other promises / performance obligations under the arrangement for revenue recognition. • We evaluated the timing of recognition of revenue from these arrangements proposed by the Group for compliance with Ind AS 115: Revenue from Contracts with Customers.

Revenue is one of the key performance indicators of the Group and there could be a risk that revenue is recognized in the incorrect period or before the control has been transferred to the customer.	

Business Combination	
See Note 2(g) and 42 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
During the year, the Group has completed the acquisition of biosimilars business of Viatris Inc. and consequently recognised goodwill of Rs. 161,098 million in its consolidated financial statements. Accounting for the business combinations require the Group to determine the fair value of consideration transferred (including contingent consideration) and the fair value of net assets acquired as a part of acquisition. The acquisition of the biosimilar business of Viatris Inc., resulted in settlement of a pre-existing relationship, the impact of which had to be evaluated from a business combination accounting, which involved significant judgment. The purchase consideration paid / payable included contingent consideration (both liability and asset) which were recorded using a fair valuation model on the consummation date. Valuation of these contingent consideration involved application of complex option pricing models and other key assumptions. As of the acquisition date, the Group had Rs. 6,583 million in derivative liabilities and Rs. 8,993 million in derivative assets arising on account of contingent consideration, which represented a 'Level 3' fair value measurement in the fair value hierarchy due to the significant unobservable inputs used in determining the fair value and the use of management judgment about the assumptions market participants would use in pricing the financial instruments. The Group engaged third party valuation expert (management's expert) to perform the fair	Our audit procedures in relation to the business combination includes the following: • We read the acquisition agreements, obtained an understanding of the transaction structure and evaluated the accounting treatment are in compliance with *Ind AS 103: Business Combinations*. • We tested the design and operating effectiveness of the Group's controls around the accounting of business combination. This included testing controls over management's review of the significant assumptions and other inputs used in the determination of estimated future revenues, the determination of future net cash flows and estimated growth rates for computing fair value of acquired assets. • We evaluated the appropriateness and consistency of the methods and assumptions used to forecast future cash flows and select the discount rates. • We evaluated the assumptions and judgments considering observable industry and standards, external data sources, and historical product trends to the extent applicable. Our procedures include evaluating the data sources used by management in determining its assumptions and, where necessary, includes an evaluation of available information assessed or contradicted management's conclusions • Involved valuation specialists (auditor's expert) and: i. tested the source information underlying the determination of the discount rates and testing the mathematical accuracy of the

valuation of assets acquired and liabilities assumed to allocate the fair value of consideration transferred to the respective assets and liabilities (hereinafter referred to as "purchase price allocation" or the 'PPA'). The Group also engaged third party valuation experts to determine the value of financial instruments as described above. Auditing the purchase price allocation includes estimates and the assumptions require high degree of auditor judgement and an increased extent of effort. This includes involving valuation experts, performing audit procedures to evaluate the reasonableness of management's forecasts of future cashflows and selection of discount rates. Accordingly, this was a key audit matter for us. Further, auditing the valuation of derivative liabilities and assets are complex and requires significant auditor judgment due to the use of complex option pricing models and the high degree of subjectivity in evaluating certain assumptions required to estimate the fair value of derivative liabilities and assets. Accordingly, we have determined this also to be a key audit matter.	projected financial information calculation. ii. Developed a range of independent estimates and comparing those to the discount rates selected by management; iii. assessed the option pricing model used for valuing the financial instruments (contingent consideration asset and liability balances) and testing the key contractual inputs and significant assumptions and reasonableness on derivative components; iv. assessed the overall valuation methodology and perform the reasonableness of fair value calculations. • We verified the appropriateness of working capital balances acquired with figures audited by the component auditor as per our group audit instructions. We read their reporting to us to evaluate the procedures performed by them are sufficient and adequate based on Standards on Auditing 600: Using the Work of Another Auditor, for the purpose of our audit of consolidated financial statements. • We verified the adequacy of disclosures made in consolidated financial statements, as required by relevant accounting standards.

Impairment of Goodwill, Intangible assets and Intangible assets under development	
See Note 2(e) and 43 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Group has goodwill, intangible assets and intangible assets under development of INR Rs. 161,362 million, Rs. 57,964 million and Rs. 47,295 million respectively as at 31 March 2023. The carrying value of these assets have significantly increased during the year on account of acquisition consummated. These assets are subjected to impairment test as part of Cash Generating Units (CGU) which include goodwill. The annual impairment testing of goodwill, intangible assets and intangible assets under development within such CGU was considered	Our audit procedures in relation to impairment testing includes the following: • We tested the design and operating effectiveness of the Group's controls around the impairment testing; • We evaluated assumptions used by the Group in assessing the recoverability of assets - in particular, revenue and cash flow projections; • We involved valuation specialists to assist us in evaluating the valuation methodologies and assumptions used by the Group; • We evaluated the Group's assessment of key

to be a key audit matter due to the complexity of the accounting requirements and the significant judgement involved to estimate the recoverable amount. Further, in some cases, the products are yet to be launched or in their initial stages of commercialisation and hence revenue and profitability are yet to reach its desired levels. Hence, there is a risk of impairment in the event the carrying amount of the CGU is lower than its recoverable value. The recoverable amount of the CGU , which is the value in use has been derived from discounted forecast cash flow model. This model use several assumptions, including estimates of revenue growth, weighted-average cost of capital, expected market share and price erosion. Changes in these assumptions could lead to an impairment to the carrying value of these assets. Accordingly, we have determined this to be a key audit matter.	inputs by considering third party sources and the impact on future cash inflows due to actions by competitors or changes in relevant market conditions; • We performed the sensitivity analysis in respect of certain key assumptions to evaluate the impact of change on recoverable value. • We tested the adequacy of disclosures made in consolidated financial statements, as required by Ind AS 36 Impairment of assets.

Key Audit Matters as reported by the Other auditor

Chargebacks, rebates, returns, other adjustments and related accruals ("gross to net sales adjustments")

See Note 2(l) to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Estimating the amounts to be accrued for chargebacks requires significant estimation as management's model utilizes historical buying patterns, estimated end-user demand, estimated inventory levels in the distribution channel, contracted sales terms with customers, as well as other competitive factors. Given the volume of chargebacks and the level of estimation uncertainty involved, auditing management's judgments required a high degree of auditor judgment and an increased extent of effort.	In view of the significance of the matter, following audit procedures were applied, among others to obtain sufficient audit evidence: • We obtained an understanding and evaluated management's assumptions and the computation of the estimate. • We developed an independent expectation of the chargeback accrual and compared those to the recorded amounts. Further, we tested the accuracy and completeness of the underlying data used in developing our expectation. • We compared prior period chargeback accruals to chargeback credits subsequently issued to evaluate management's ability to accurately

Estimating the amounts to be accrued for returns requires significant estimation as management's model utilizes historical experience with actual returns and considers levels of inventory in the distribution channel, product dating and expiration period, size and maturity of the market prior to a product launch, entrance into the market of additional competitors, and changes in the regulatory environment. Given the volume of sales returns and the level of estimation uncertainty involved, auditing management's judgments required a high degree of auditor judgment and an increased extent of effort.	forecast chargeback activity. • We tested the design and operating effectiveness of the relevant key controls in respect to the chargeback accrual. • We performed analytical procedures on accruals related to 'gross-to-net' sales adjustments recognized during the year to identify any unusual variances / relationships, if any. In view of the significance of the matter, following audit procedures were applied, among others to obtain sufficient audit evidence: • We obtained an understanding and evaluated management's assumptions and the computation of the estimate. • We developed an independent expectation of the sales returns accrual and compared those to the recorded amounts. Further, we tested the accuracy and completeness of the underlying data used in developing our expectation. • We tested the design and operating effectiveness of the relevant key controls in respect to the sales return accrual. • We performed analytical procedures on accruals related to 'gross-to-net' sales adjustments recognized during the year to identify any unusual variances / relationships, if any.

Information Other than Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the Management reports such as Board Report, Management Discussion and Analysis, Corporate Governance Report and Business Responsibility Report, but does not include the financial statements and auditor's report thereon, which we obtained prior to the date of this auditor's report, and the remaining sections of the Annual report, which are expected to be made available to us after that date.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other section of Annual Report (other than those mentioned above), if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulation.

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

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

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

The respective Board of Directors of the companies included in the Group and of its associates and a joint venture are responsible for overseeing the financial reporting process of each company.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting

estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and a joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its associates and a joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. We did not audit the financial statements / financial information of three subsidiaries, whose financial statements/financial information reflects total assets (before consolidation adjustments) of Rs. 75,381 million as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 34,758 million and net cash inflows (before consolidation adjustments) amounting to Rs. 73 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (and other comprehensive income) of Rs. 37 million for the year ended 31 March 2023, in respect of a joint venture, whose financial statements/financial information has not been audited by us. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors.

b. These subsidiaries and joint venture are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements/financial information of such subsidiaries and joint venture located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and joint venture located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements / financial information of such subsidiaries and joint venture as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

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

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

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

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

e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of subsidiaries and a joint venture, as noted in the "Other Matters" paragraph.

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group, its associates and a joint venture. Refer Note 34 to the consolidated financial statements.

b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 36 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and a joint venture.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2023.

d (i) The respective management has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 45 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies, associate company and joint venture 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 Holding Company or any of such subsidiary companies, associate company and joint venture company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 45 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies, associate company and joint venture company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies, associate company and joint venture company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. As stated in Note 48 to the consolidated financial statements, the respective Board of Directors of the Holding Company and its subsidiary company incorporated in India have proposed final dividend for the year which is subject to the approval of the respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary companies, associate company and joint venture company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies are 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

Sampad Guha Thakurta

Partner

Membership No.: 060573

ICAI UDIN:23060573BGYNDJ7396

Place: Bangalore

Date: 23 May 2023

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Biocon Limited for the year ended 31 March 2023

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

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

Sr. No.	Name of the entities	CIN	Holding Company/Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Biocon Limited	L24234KA1978PLC003417	Holding Company	3(ix)(d)
2	Biocon Biosphere Limited	U24304KA2019PLC130965	Subsidiary	3(xvii)
3	Biocon Biologics Limited	U24119KA2016FLC093936	Subsidiary	3(xvii)
4	Syngene Scientific Solutions Limited	U73200KA2022PLC164804	Subsidiary	3(xvii)
5	Syngene Manufacturing Solutions Limited	U24290KA2022PLC165409	Subsidiary	3(xvii)

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

Sampad Guha Thakurta
Partner
Membership No.: 060573
ICAI UDIN:23060573BGYNDJ7396

Place: Bangalore
Date: 23 May 2023

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Biocon Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid consolidated 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

In conjunction with our audit of the consolidated financial statements of Biocon Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Biocon Limited for the year ended 31 March 2023 *(Continued)*

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 consolidated 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 consolidated 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 consolidated 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

Sampad Guha Thakurta

Partner

Membership No.: 060573

ICAI UDIN:23060573BGYNDJ7396

Place: Bangalore

Date: 23 May 2023

BIOCON LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

	Note	March 31, 2023	March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	72,769	56,767
Capital work-in-progress	3	25,875	34,203
Right-of-use assets	4 (b)	2,582	2,673
Goodwill	4 (a)	1,61,362	264
Other intangible assets	4 (a)	57,964	5,986
Intangible assets under development	4 (a)	47,295	6,901
Investment in associates and a joint venture	39 (d)	1,378	80
Financial assets			
(i) Investments	5	6,045	3,622
(ii) Derivative assets		1,454	1,468
(iii) Other financial assets	6(a)(i)	10,830	454
Income-tax assets (net)		3,543	3,135
Deferred tax assets (net)	7	3,010	2,933
Other non-current assets	8(a)	2,981	1,631
Total non-current assets		**3,97,088**	**1,20,117**
Current assets			
Inventories	9	42,437	22,982
Financial assets			
(i) Investments	10	13,265	12,177
(ii) Trade receivables	11	35,732	20,582
(iii) Cash and cash equivalents	12	13,235	6,630
(iv) Bank balances other than (iii) above	12	10,766	10,845
(v) Derivative assets		704	1,223
(vi) Loans	6(b)	-	671
(vii) Other financial assets	6(a)(ii)	1,321	4,506
Other current assets	8(b)	5,880	4,207
Total current assets		**1,23,340**	**83,823**
TOTAL		**5,20,428**	**2,03,940**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13(a)	6,003	6,003
Other equity	13(b)	1,72,666	78,322
Equity attributable to owners of the Company		**1,78,669**	**84,325**
Non-controlling interests	13(b)	46,219	10,375
Total equity		**2,24,888**	**94,700**
Non-current liabilities			
Financial liabilities			
(i) Borrowings	14	1,52,905	39,985
(ii) Lease liabilities	15	2,091	2,215
(iii) Derivative liabilities		258	136
(iv) Other financial liabilities	16(a)	46,195	15,033
Provisions	17(a)	2,265	917
Deferred tax liabilities (net)	7	3,818	523
Other non-current liabilities	18(a)	2,901	12,151
Total non-current liabilities		**2,10,433**	**70,960**
Current liabilities			
Financial liabilities			
(i) Borrowings	19	24,802	9,055
(ii) Lease liabilities	15	390	211
(iii) Trade payables	20		
-total outstanding dues of micro and small enterprises		1,491	1,036
-total outstanding dues of creditors other than micro and small enterprises		38,340	15,049
(iv) Derivative liabilities		586	124
(v) Other financial liabilities	16(b)	4,668	3,632
Provisions	17(b)	1,486	1,305
Current tax liabilities, net		2,250	1,618
Other current liabilities	18(b)	11,094	6,250
Total current liabilities		**85,107**	**38,280**
TOTAL		**5,20,428**	**2,03,940**

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

As per our report of even date attached

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

Sampad Guha Thakurta
Partner
Membership No.: 060573

Bengaluru
May 23, 2023

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

Kiran Mazumdar-Shaw
Executive Chairperson
DIN: 00347229

Siddharth Mittal
Managing Director & CEO
DIN: 03230757

Indranil Sen
Chief Financial Officer

Mayank Verma
Company Secretary

Bengaluru
May 23, 2023

BIOCON LIMITED ★ BANGALORE ★

BIOCON LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

	Note	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from operations	21	1,11,742	81,840
Other income	22	3,759	2,127
Total income (I)		**1,15,501**	**83,967**
Expenses			
Cost of materials consumed	23	31,911	28,139
Purchases of stock-in-trade		6,261	1,611
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(1,541)	(2,566)
Employee benefits expense	25	21,810	18,801
Finance costs	26	4,190	676
Depreciation and amortisation expense	27	11,131	8,142
Other expenses	28	32,106	20,917
		1,05,868	**75,720**
Less: Recovery of cost from co-development partners (net)		(3,922)	(4,764)
Total expenses (II)		**1,01,946**	**70,956**
Profit before tax, share of profit/(loss) of joint venture and associates and exceptional items (I-II)		**13,555**	**13,011**
Share of loss of joint venture and associates, net		(1,670)	(2,069)
Profit before tax and exceptional items		**11,885**	**10,942**
Exceptional items, net	32	(2,914)	(1,111)
Profit before tax		**8,971**	**9,831**
Tax expense			
Current tax	38	2,462	2,204
Deferred tax (credit) / charge			
MAT credit written off/ utilisation (net of entitlements) [refer note 38]		988	235
Other deferred tax		(909)	(324)
Total tax expense		**2,541**	**2,115**
Profit for the year		**6,430**	**7,716**
Other comprehensive income (OCI)			
(i) Items that will not be reclassified subsequently to profit or loss			
Re-measurement on defined benefit plans		38	103
Equity instruments through OCI		(460)	(736)
Income tax effect		24	75
		(398)	**(558)**
(ii) Items that may be reclassified subsequently to profit or loss			
Effective portion of gains/ (losses) on hedging instrument in cash flow hedges		(1,090)	1,410
Exchange difference on translation of foreign operations, including effective portion of net investment hedges		1,975	717
Income tax effect		279	(467)
		1,164	**1,660**
Other comprehensive income for the year, net of taxes		**766**	**1,102**
Total comprehensive income for the year		**7,196**	**8,818**
Profit attributable to:			
Shareholders of the Company		4,627	6,484
Non-controlling interests		1,803	1,232
Profit for the year		**6,430**	**7,716**
Other comprehensive income attributable to:			
Shareholders of the Company		1,138	967
Non-controlling interests		(372)	135
Other comprehensive income for the year		**766**	**1,102**
Total comprehensive income attributable to:			
Shareholders of the Company		5,765	7,451
Non-controlling interests		1,431	1,367
Total comprehensive income for the year		**7,196**	**8,818**
Earnings per equity share	31		
Basic (in Rs.)		3.88	5.44
Diluted (in Rs.)		3.87	5.42

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

As per our report of even date attached

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

Sampad Guha Thakurta
Partner
Membership No.: 060573

Bengaluru
May 23, 2023

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

Kiran Mazumdar-Shaw
Executive Chairperson
DIN: 00347229

Siddharth Mittal
Managing Director & CEO
DIN: 03230757

Indranil Sen
Chief Financial Officer

Mayank Verma
Company Secretary

Bengaluru
May 23, 2023

BIOCON LIMITED BANGALORE

BIOCON LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

(A) Equity share capital	March 31, 2023	March 31, 2022
Opening balance	6,003	6,000
Issued during the year	-	3
Closing balance	**6,003**	**6,003**

(B) Other equity

Particulars	Attributable to owners of the Company																
	Reserves and surplus											Items of other comprehensive income					
	Securities premium	Equity portion of optionally convertible debentures [refer note 14 (j)]	Revaluation reserve	Debenture redemption reserve	Capital redemption reserve	Capital reserve	General reserve	Retained earnings	SEZ Re-investment reserve	Share based payment reserve	Treasury shares	Foreign currency translation reserve	Cash flow hedging reserves	Other items of other comprehensive income*	Total other equity	Non-controlling interests ('NCI')	Total
Balance at April 01, 2021	619	959	9	1,325	1,292	801	1,617	62,358	-	1,541	(1,343)	2,015	(207)	(717)	70,269	8,807	79,076
Profit for the year	-		-	-		-	-	6,484	-	-	-	-	-	-	6,484	1,232	7,716
Other comprehensive income, net of tax	-	-	-	-		-	-	-	-	-	-	717	786	(536)	967	135	1,102
Total comprehensive income for the year	-	-	-	-	-	-	-	6,484	-	-	-	717	786	(536)	7,451	1,367	8,818
Transfer to Special Economic Zone ('SEZ') re-investment reserve	-	-	-	-	-	-	-	(1,603)	1,603	-	-	-	-	-	-	-	-
Transfer from SEZ re-investment reserve on utilisation	-	-	-	-	-	-	-	1,603	(1,603)	-	-	-	-	-	-	-	-
Transactions with Owners directly recorded in equity:																	
Share based payment	-	-	-	-	-	-	-	-	-	1,257	-	-	-	-	1,257	-	1,257
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-	(3)	-	-	-	(3)	-	(3)
Modification impact of OCD [refer note 14 (j)]	-	(959)						60	-	-	-	-	-	-	(899)	-	(899)
Transfer to debenture redemption reserve	-	-	-	38	-	-	-	(38)	-	-	-	-	-	-	-	-	-
Exercise of share options	573	-	-	-	-	-	-	(591)	-	(757)	1,022	-	-	-	247	201	448
Balance at March 31, 2022	1,192	-	9	1,363	1,292	801	1,617	68,273	-	2,041	(324)	2,732	579	(1,253)	78,322	10,375	88,697
Profit for the year	-		-	-		-	-	4,627	-	-	-	-	-	-	4,627	1,803	6,430
Other comprehensive income/ (loss), net of tax	-	-	-	-		-	-	-	-	-	-	1,975	(420)	(417)	1,138	(372)	766
Total comprehensive income/ (loss) for the year	-	-	-	-	-	-	-	4,627	-	-	-	1,975	(420)	(417)	5,765	1,431	7,196
Transfer to Special Economic Zone ('SEZ') re-investment reserve	-	-	-	-	-	-	-	(1,100)	1,100	-	-	-	-	-	-	-	-
Transfer from SEZ re-investment reserve on utilisation	-	-	-	-	-	-	-	1,100	(1,100)	-	-	-	-	-	-	-	-
Transactions with Owners directly recorded in equity:																	
Share based payment	-	-	-	-	-	-	-	-	-	1,415	-	-	-	-	1,415	-	1,415
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-	(647)	-	-	-	(647)	-	(647)
Change in fair value of gross liability on written put options	-	-	-	-	-	-	-	995	-	-	-	-	-	-	995	-	995
Gain on sale of shares in a subsidiary	-	-	-	-	-	-	-	29,278	-	-	-	-	23	2	29,303	5,180	34,483
Issue of shares by a subsidiary	-	-	-	-	-	-	-	57,897	-	-	-	-			57,897	29,291	87,188
NCI impact on a common control transaction	-	-	-	-	-	-	-	90	-	-	-	-	-	-	90	(90)	-
Dividend paid on equity shares (including to NCI)	-	-	-	-	-	-	-	(600)	-	-	-	-	-	-	(600)	(119)	(719)
Exercise of share options	543	-	-	-	-	-	-	299	-	(716)	-	-	-	-	126	151	277
Balance at March 31, 2023	1,735	-	9	1,363	1,292	801	1,617	1,60,859	-	2,740	(971)	4,707	182	(1,668)	1,72,666	46,219	2,18,885

* Refer Note 35 for remeasurement gain/(loss) on defined benefit obligations.

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

As per our report of even date attached

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

Sampad Guha Thakurta
Partner
Membership No.: 060573

Bengaluru
May 23, 2023

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

Kiran Mazumdar-Shaw
Executive Chairperson
DIN: 00347229

Bengaluru
May 23, 2023

Siddharth Mittal
Managing Director & CEO
DIN: 03230757

Indranil Sen
Chief Financial Officer

Mayank Verma
Company Secretary

BIOCON LIMITED ★ BANGALORE ★

BIOCON LIMITED

STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

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

		March 31, 2023	March 31, 2022
I	**Cash flows from operating activities**		
	Profit for the year	6,430	7,716
	Adjustments to reconcile profit for the year to net cash flows		
	Depreciation and amortisation expense	11,131	8,142
	Tax expense	2,541	2,115
	Unrealised foreign exchange loss	971	86
	Share-based compensation expense	1,376	1,257
	Provision of doubtful debts, net	54	240
	Bad debts written off	10	8
	Interest expense	4,190	676
	Interest income	(1,124)	(1,121)
	Net loss on financial assets/ liabilities measured at fair value through profit or loss	608	286
	Net gain on sale of current investments	(416)	(133)
	Loss on sale of property, plant and equipment (net)	52	23
	Gain on dilution of interest in a associate	(2,170)	(299)
	Share of loss of joint venture/ associates	1,670	2,069
	Proceeds from insurance company	-	105
	Exceptional items, net	498	1,111
	Operating profit before changes in operating assets and liabilities	**25,821**	**22,281**
	Movement in operating assets and liabilities		
	Decrease / (Increase) in inventories	8,862	(4,140)
	Decrease / (Increase) in trade receivables	15,905	(4,736)
	Decrease / (Increase) in other assets	7,582	(637)
	Increase / (Decrease) in trade payables, other liabilities and provisions	(37,359)	1,618
	Cash generated from operations	**20,811**	**14,386**
	Income taxes paid (net of refunds)	(2,286)	(2,620)
	Net cash flow generated from operating activities	**18,525**	**11,766**
II	**Cash flows from investing activities**		
	Purchase of property, plant and equipment	(15,960)	(16,978)
	Payment of intangible assets	(1,303)	(2,270)
	Proceeds from sale of property, plant and equipment	31	21
	Proceeds from sale of equity interest in a subsidiary	34,474	-
	Purchase of investments	(1,63,112)	(43,020)
	Consideration paid for business acquisition [refer note 42]	(1,56,645)	-
	Proceeds from sale of current investments	1,61,515	46,456
	Investment in bank deposits and inter-corporate deposits	(24,031)	(34,916)
	Redemption/ maturity of bank deposits and inter-corporate deposits	20,980	33,794
	Loan given to associate	-	(674)
	Interest received	1,233	596
	Net cash flow used in investing activities	**(1,42,818)**	**(16,991)**
III	**Cash flows from financing activities**		
	Purchase of treasury shares	(647)	(3)
	Proceeds from issuance of shares by subsidiary, net of expense	12,368	-
	Proceeds from exercise of share options	295	428
	Proceeds from non-current borrowings	1,09,399	10,701
	Repayment of non-current borrowings	(281)	(10,949)
	Proceeds from current borrowings (net of repayments)	15,041	3,461
	Dividend paid on equity shares (including to NCI)	(718)	-
	Repayment of lease liabilities, net	(114)	(121)
	Interest paid	(4,856)	(1,096)
	Net cash flow generated from financing activities	**1,30,487**	**2,421**
IV	**Net increase/ (decrease) in cash and cash equivalents (I + II + III)**	**6,194**	**(2,804)**
V	Effect of exchange differences on cash and cash equivalents held in foreign currency	217	33
VI	Cash and cash equivalents at the beginning of the year	6,537	8,970
VII	Cash and cash equivalents classified as held for sale	-	338
VIII	**Cash and cash equivalents at the end of the year (IV + V + VI + VII)**	**12,948**	**6,537**

BSR & Co. LLP

BIOCON LIMITED ★ BANGALORE ★

	March 31, 2023	March 31, 2022
Reconciliation of cash and cash equivalents as per statement of cash flows		
Cash and cash equivalents [note 12]		
Balances with banks - on current accounts	12,872	6,326
- on unpaid dividend accounts*	3	4
Deposits with original maturity of less than 3 months	360	300
	13,235	**6,630**
Cash credits [note 19]	(287)	(93)
Balance as per statement of cash flows	**12,948**	**6,537**

*The Group can utilize these balances only towards settlement of the respective unpaid dividend liabilities.

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

	Opening balance April 1, 2022	Cash flows	Non-cash movement	Closing balance March 31, 2023
Non- current borrowings (including current maturities)	40,080	1,09,118	3,707	1,52,905
Current borrowings	8,867	15,041	607	24,515
Interest accrued but not due	140	(4,856)	4,918	202
Total liabilities from financing activities	**49,087**	**1,19,303**	**9,232**	**1,77,622**

	Opening balance April 1, 2021	Cash flows	Non -cash movement	Closing balance March 31, 2022
Non- current borrowings (including current maturities)	37,644	(248)	2,684	40,080
Current borrowings	5,381	3,461	25	8,867
Interest accrued but not due	125	(1,096)	1,111	140
Total liabilities from financing activities	**43,150**	**2,117**	**3,820**	**49,087**

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

As per our report of even date attached

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

Sampad Guha Thakurta
Partner
Membership No.: 060573

Bengaluru
May 23, 2023

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

Kiran Mazumdar-Shaw
Executive Chairperson
DIN: 00347229

Siddharth Mittal
Managing Director & CEO
DIN: 03230757

Indranil Sen
Chief Financial Officer

Mayank Verma
Company Secretary

Bengaluru
May 23, 2023

BIOCON LIMITED BANGALORE

1. Company Overview

1.1 Reporting entity

Biocon Limited ("Biocon" or the "parent company" or "the Company"), together with its subsidiaries, joint venture and associates 4(collectively, the "Group") is engaged in the manufacture of biotechnology products and research services. The Company is a public limited company incorporated and domiciled in India and has its registered office in Biocon Campus, 20th KM, Hosur Road, Electronic City, Bengaluru – 560 100. The Company's shares are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) in India.

1.2 Basis of preparation of financial statements

a. ***Statement of compliance***

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

These consolidated financial statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2023. These consolidated financial statements are approved for issuance by the Company's Board of Directors on May 23, 2023.

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

b. ***Functional and presentation currency***

These consolidated financial statements are presented in Indian rupees (INR), which is also the functional currency of the parent Company. All amounts have been rounded-off to the nearest million, unless otherwise indicated. In respect of subsidiaries and associates whose operations are self-contained and integrated, the functional currency has been determined to be the currency of the primary economic environment in which the entity operates.

c. ***Basis of measurement***

These consolidated financial statements have been prepared on the historical cost basis (i.e. on accrual basis), except for the following items:

- Derivative Financial Instruments at fair value
- Certain financial assets and liabilities are measured at fair value;
- Net defined benefit assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations
- Employee stock compensation at fair value
- Contingent consideration assumed in a business combination at fair value
- Non-Convertible Debentures with variable coupon linked to equity shares of the subsidiary at fair value
- Non derivative financial instruments at Fair Value Through Profit and Loss (FVTPL)

d. ***Use of estimates and judgements***

The preparation of the consolidated 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 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 financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Judgements

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

- Note 1.2(b) — Assessment of functional currency;
- Note 2(c) and 36 — Financial instruments;
- Note 2(d), 2(e) and 3 — Useful lives of property, plant and equipment and other intangible assets
- Note 2(j) and 35 — measurement of defined benefit obligation; key actuarial assumptions;
- Note 30 — Share based payments;
- Note 2(n), 7 and 38 — Provision for income taxes and related tax contingencies and evaluation of recoverability of deferred tax assets

- Note 2(l) and 21 — Revenue Recognition: whether revenue from sale of product and licensing income is recognized over time or at a point in time;
- Note 16 — Liability on written put options;

e. *Assumptions and estimation uncertainties*

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2023 is included in the following notes:

- Note 2(i) – impairment test of non-financial assets; key assumptions underlying recoverable amounts including the recoverability of expenditure on internally-generated intangible assets;
- Note 2(n), 7 and 38 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 2(l) and 21 - Revenue Recognition; estimate of expected returns, chargebacks, rebates and other allowances;
- Note 17 and 34– recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 2(j) and 35 – measurement of defined benefit obligations: key actuarial assumptions; and
- Note 36 – impairment of financial assets.
- Note 2(i) and 43 - impairment test of goodwill: key assumptions underlying recoverable amounts, including the recoverability of development costs;
- Note 42 - acquisition of business: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis.

f. *Measurement of fair values*

A number of the Group'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).

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group 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 Group 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 30 – Share-based payment arrangements
- Note 36 – Financial instruments
- Note 42 – Business Combination

2. Significant accounting policies

a. *Basis of consolidation*

i. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the Group are consolidated on line-by-line basis. Intra-group transactions, balances and any unrealised gains arising from intra-group transactions, are eliminated. Unrealised losses are eliminated, but only to the extent that there is no evidence of impairment. All temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions are recognised as per Ind AS 12, *Income Taxes*.

For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

ii. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in statement of profit or loss.

iii. Associates and joint arrangements (equity accounted investees)

The Group's interests in equity accounted investees comprise interests in associates and a joint venture.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint venture are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income (OCI) of equity - accounted investees until the date on which significant influence or joint control ceases.

iv. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

b. Foreign currency

i. 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, except exchange differences arising from the translation of the qualifying cash flow hedges to the extent that the hedges are effective which are recognised in OCI.

Foreign currency (continued)

ii. *Foreign operations*

The assets and liabilities of foreign operations (subsidiaries, associates, joint arrangements) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR 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.

Foreign currency translation differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

c. **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 Group 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.

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;
- Fair value through other comprehensive income – equity investment; or
- Fair value through profit and loss

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group 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
- 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 Group 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.

Financial instruments (continued)

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 Group 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: Subsequent measurement and gains and losses

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 or loss. However, see Note 36 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 or loss. Any gain or loss on derecognition is recognised in statement of profit or 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 or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit or 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 profit or 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 or 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 or loss. Any gain or loss on derecognition is also recognised in statement of profit or loss.

iii. *De-recognition of financial instruments*

Financial assets

The Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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

Financial liabilities

The Group de-recognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also de-recognises 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 or loss.

iv. *Offsetting*

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

v. ***Derivative financial instruments and hedge accounting***

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

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

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

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

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is 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 profit or loss.

vi. ***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

vii. ***Treasury shares***

The Group has created an Employee Welfare Trust (EWT) for providing share-based payment to its employees. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. When the treasury shares are issued to the employees by EWT, the amount received is recognised as an increase in equity and the resultant gain / (loss) is transferred to / from securities premium.

viii. ***Cash and cash equivalents***

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of

cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

ix. *Cash dividend to equity holders*

The Group 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 Group. 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.

d. 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 comprises its purchase price including import duty and non refundable taxes or levies, any other costs 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.

Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised.

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 or loss.

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

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown 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 Group 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	Assets Classification	Management estimate of useful life	Useful life as per Schedule II
Building	Building	25-30 years	30 years
Roads	Building	5-12 years	5 years
Plant and equipment (including Electrical installation and Lab equipment)	Plant and Machinery	9-15 years	8-20 years
Computers and servers	Plant and Machinery	3 years	3-6 years
Office equipment	Plant and Machinery	3- 5 years	5 years
Research and development equipment	Research and development equipment	9 years	5-10 years
Furniture and fixtures	Furniture and fixtures	6 years	10 years
Vehicles	Vehicles	6 years	6-10 years
Leasehold improvements	Leasehold improvements	5 years or lease period whichever is lower	
Leasehold land	Land and Right to use-assets	90 years or lease period whichever is lower	

Property, plant and equipment (continued)

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.

e. **Goodwill and other intangible assets**

i. ***Goodwill***

For measurement of goodwill that arises on a business combination. Subsequent measurement is at cost less any accumulated impairment losses.

ii. ***Other intangible assets***

Internally generated: Research and development

Expenditure on research activities is recognised in statement of profit or 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 Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in statement of profit or 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 amortization and any accumulated impairment losses.

iii. ***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 or loss as incurred.

iv. ***Amortisation***

Goodwill is not amortised and is tested for impairment annually.

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

— Computer software	3-5 years
— Marketing and Manufacturing rights	8-15 years
— Developed technology rights	8-15 years
— Brands	8-15 years
— Customer related intangibles	5 years

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

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f. Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Based on technical evaluation and consequent advice, the management believes a period of 25 years as representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Group depreciates investment properties over a period of 25 years on a straight-line basis. The useful life estimate of 25 years is different from the indicative useful life of relevant type of buildings mentioned in Part C of Schedule II to the Act i.e. 30 years.

Any gain or loss on disposal of an investment property is recognised in statement of profit or loss.

g. Business combination

In accordance with Ind AS 103, Business combinations, the Group accounts for business combinations after acquisition date using the acquisition method when control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred in the acquisition is generally measured at fair value as at the date the control is acquired (acquisition date), as are the identifiable net assets acquired. Any gain on a bargain purchase is recognised in the OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, then gain on a bargain purchase is recognised directly in equity as capital reserve.

Transaction costs/ acquisition related costs are expensed as incurred and services are received, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the statement of profit and loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration (or right to receive excess contingent consideration transferred) that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group reports in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Group retrospectively adjusts the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

During the measurement period, the Group also recognises additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date.

The measurement period ends as soon as the Group receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable but does not exceed one year from the acquisition date.

Business combinations – common control transaction

Business combination involving entities that are controlled by the group is accounted for at carrying value. No adjustments are made to reflect the fair values, or recognise any new assets or liabilities except to harmonise accounting policies. The financial information in the consolidated financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of combination. The identity of the reserves are preserved and the reserves of transferor becomes the reserves of the transferee. The difference, if any between the amounts recorded as share capital issued plus any additional consideration in the form of cash and the amounts of share capital of the transferor is transferred to amalgamation adjustment reserves and is presented separately from other capital reserves.

h. 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.

Provisions are made towards slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which consideration of product lines and market conditions.

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, 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.

i. Impairment

i. Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Group 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. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

ii. Impairment of non-financial assets

The Group assesses 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 CGU exceeds its estimated recoverable amount in the statement of profit or loss.

Goodwill is tested annually for impairment. For the purpose of impairment testing, goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

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 Group's non-financial 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 Group of CGUs) on a pro rata basis.

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

j. 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:"

Gratuity

The Group provides for gratuity, a defined benefit plan ("the Gratuity Plan") covering the eligible employees of the Company and its Indian subsidiaries. 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 Group.

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 Group 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 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.

Provident Fund

Eligible employees of the Company and its Indian subsidiaries receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the respective Companies 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 Companies have no further obligation to the plan beyond its monthly contributions.

iii. Compensated absences

The Group 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 is the period in which the absences occur.

iv. Share-based compensation

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee 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 Group is recognised as an employee expense.

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 "share based payment 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 (Black-Scholes-Merton). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.

k. 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 Group 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 Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the 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 Group recognises any impairment loss on the assets associated with that contract.

l. **Revenue from contracts with customers**

The Group has implemented new standard Ind-AS 115 'Revenue from Contracts with Customers' effective April 1, 2018 using cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application. The Group has evaluated its open arrangements on out-licensing with reference to upfront non-refundable fees received in earlier periods and concluded that some of the performance obligations may not be distinct and hence would need to be bundled with the subsequent product supply obligations. Accordingly standard is applied retrospectively only to contracts that were not completed as at the date of initial application.

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 recognized (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.

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

Provision for chargeback, rebates and discounts

Revenues are recorded net of provisions for variable consideration, including discounts, rebates, governmental rebate programs, price adjustments, returns, chargebacks, promotional programs and other sales allowances. Accruals for these provisions are presented in the consolidated financial statements as reductions in determining net sales and as a contra asset in accounts receivable, net (if settled via credit) and trade payables (if paid in cash).

Provisions for chargeback, rebates, discounts and Medicaid payments are estimated and provided for in the year of sales and recorded as reduction of revenue. A chargeback claim is a claim made by the wholesalers for the difference between the price at which the product is initially invoiced to the wholesaler and the net price at which it is agreed to be procured from the Company. Provisions for such chargebacks are accrued and estimated based on historical average chargeback rate actually claimed over a period of time, current contract prices with wholesalers/other customers and estimated inventory holding by the wholesalers/other customers.

Amounts recorded for revenue deductions can result from a complex series of judgements about future events and uncertainties and can rely heavily on estimates and assumptions.

ii. Milestone payments and out licensing arrangements

The Group 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 Group 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 of 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 underlying sales are incurred.

The Group recognises a deferred income (contract liability) if consideration has been received (or has become receivable) before the Group 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 Group 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. Contract research and manufacturing services income:

Revenue is recognised upon transfer of control of promised services or compounds to customers in an amount that reflects the consideration we expect to receive in exchange for those services or compounds.

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

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

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

In respect of contracts involving sale of compounds arising out of contract research, revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment to the customer. 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. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

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

iv. **Royalty income and profit share**

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

v. Sales Return Allowances

The Group 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 Group's estimate of expected sales returns. The estimate of sales return is determined primarily by the Group's historical experience in the markets in which the Group operates.

vi. Dividends

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

vii. Rental income

Rental income from investment property is recognised in statement of profit or loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

viii. 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 Group capitalises the gross cost of these assets as the Group controls these assets.

ix. Interest income and expense

Interest income or expense is recognised using the effective interest method.

m. Government grants

The Group recognizes 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 amortized 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.

n. Income taxes

Income tax comprises of current and deferred income tax. Income tax expense is recognised in statement of profit or 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. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

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 or simultaneously.

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the 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 Group 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 realized.

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.

Income taxes (Continued)

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 utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future. The Group 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.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

o. 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.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

p. Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per 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.

q. Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairperson and Managing Director of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the Chief Operating Decision Maker (CODM). All operating segments' operating results are reviewed regularly by the CODM to make decisions about resources to be allocated to the segments and assess their performance.

r. Leases

(i) The Group as lessee:

The Group 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 assesses whether a contract conveys the right to control use of an identified asset, the Group assesses whether:

- The contract involves use of an identified asset;
- The Group has substantially all the economic benefits from the use of the asset through the period of lease; and
- The Group has the right to direct the use of an asset.

At the date of commencement of lease, the Group 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 Group 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.

Leases (Continued)

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 Group 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.

(ii) The Group as a Lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating lease.

s. **Operating cycle**

The Group 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 an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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 Group's normal operating cycle is twelve months.

t. **Exceptional items**

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities 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 Group.

u. **Recent accounting developments**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2023, as below:

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the company in the current or future reporting periods and on foreseeable future transactions.

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

	Land	Buildings	Leasehold improvements	Plant and equipment	Research & development equipment	Furniture and fixtures	Vehicles	Total	Capital work-in-progress
	[Refer note (a)]			[Refer note (c)]					[Refer note (e)]
Gross carrying amount									
At April 01, 2021	2,695	18,880	81	64,706	3,523	1,479	157	91,521	22,535
Additions	61	644	35	6,218	105	183	42	7,288	18,886
Disposals/transfers	-	(5)	-	(302)	(103)	(2)	(13)	(425)	(7,288)
Other adjustments									
- Foreign currency translation adjustment	49	247	-	557	-	3	-	856	70
At March 31, 2022	**2,805**	**19,766**	**116**	**71,179**	**3,525**	**1,663**	**186**	**99,240**	**34,203**
Additions	-	600	2,402	18,682	398	590	44	22,716	14,178
Disposals/transfers	-	(123)	-	(280)	(13)	-	(46)	(462)	(22,716)
Other adjustments									
- Foreign currency translation adjustment	113	571	-	1,327	-	6	1	2,018	210
At March 31, 2023	**2,918**	**20,814**	**2,518**	**90,908**	**3,910**	**2,259**	**185**	**1,23,512**	**25,875**
Accumulated depreciation									
At April 01, 2021	-	4,358	13	28,480	2,114	902	81	35,948	-
Depreciation for the year	-	770	19	5,478	221	162	21	6,671	-
Disposals	-	(5)	-	(289)	(43)	(2)	(6)	(345)	-
Other adjustments									
- Foreign currency translation adjustment	-	43	-	154	-	2	-	199	-
At March 31, 2022	**-**	**5,166**	**32**	**33,823**	**2,292**	**1,064**	**96**	**42,473**	**-**
Depreciation for the year	-	807	68	6,682	216	214	23	8,010	-
Disposals	-	(72)	-	(200)	(13)	-	(32)	(317)	-
Other adjustments									
- Foreign currency translation adjustment	-	117	-	456	-	4	-	577	-
At March 31, 2023	**-**	**6,018**	**100**	**40,761**	**2,495**	**1,282**	**87**	**50,743**	**-**
Net carrying amount									
At March 31, 2022	2,805	14,600	84	37,356	1,233	599	90	56,767	34,203
At March 31, 2023	**2,918**	**14,796**	**2,418**	**50,147**	**1,415**	**977**	**98**	**72,769**	**25,875**

(a) Land includes land held on lease under perpetual basis: Gross carrying amount Rs 661 (March 31, 2022 - Rs 661); Net carrying amount Rs 661 (March 31, 2022 - Rs 661).

(b) Borrowing costs capitalised during the year amounted to Rs. 2,433 (March 31, 2022 - Rs. 1,610).

(c) Plant and equipment include computers and office equipment.

(d) Foreign exchange loss, net of Rs. Nil (March 31, 2022 - Rs. 66) on long term foreign currency monetary liabilities relating to acquisition of a depreciable capital asset has been adjusted with the cost of such asset pursuant to option available on long-term foreign currency monetary items which were obtained before the beginning of the first Ind AS financial reporting period as per the previous GAAP [refer note 2(b)(i)].

(e) Capital work-in-progress as on March 31, 2023 mainly comprises new biopharmaceutical and research manufacturing units.

(f) For details of security on certain property, plant and equipment, refer note 14

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

Capital work in progress ageing schedule :-

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	10,434	7,940	6,071	1,430	25,875
As at March 31, 2023	**10,434**	**7,940**	**6,071**	**1,430**	**25,875**
Projects in progress	16,598	8,474	5,280	3,851	34,203
As at March 31, 2022	**16,598**	**8,474**	**5,280**	**3,851**	**34,203**

(i) There are no capital work-in-process which is temporarily supended as at March 31, 2023 and as on March 31, 2022.

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

Projects in progress	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project 2	1,962	-	-	-	1,962
Project 3	-	6,269	-	-	6,269
Project 4	367	-	-	-	367
Project 5	1,275	-	-	-	1,275
Project 9	73	-	-	-	73
Project 10	297	-	-	-	297
Project 11	21	-	-	-	21
As at March 31, 2023	**3,994**	**6,269**	**-**	**-**	**10,263**
Project 1	13,481	-	-	-	13,481
Project 2	-	1,637	-	-	1,637
Project 3	-	4,527	-	-	4,527
Project 4	287	-	-	-	287
Project 5	1,547	-	-	-	1,547
Project 7	231	-	3	-	234
Project 8	1,030	-	-	-	1,030
As at March 31, 2022	**16,576**	**6,164**	**3**	**-**	**22,743**

Project 1, 7 and 8 was capitalised during the year.

4 (a). Intangible assets

	Goodwill	Intangible assets							Intangible assets under development		
		Developed technology rights	Marketing and Manufacturing rights	Other intangible assets *	Customer related intangible	Brand / Trademark	IP under commercialisation	Total	Products under development (internally generated)	Marketing rights	Total
Gross carrying amount											
At April 01, 2021	264	5,790	1,479	1,236	77	-	81	8,663	5,070	502	5,572
Additions	-	345	154	335	-	-	-	834	1,467	146	1,613
Disposals/transfers	-	-	-	-	-	-	-	-	(345)	-	(345)
Other adjustments											
- Foreign currency translation adjustment	-	236	43	-	-	-	-	279	163	3	166
At March 31, 2022	**264**	**6,371**	**1,676**	**1,571**	**77**	**-**	**81**	**9,776**	**6,355**	**651**	**7,006**
Additions	-	-	-	252	-	-	-	252	1,678	152	1,830
Assets acquired through Business Combination	1,59,831	42,255	9,340	-	-	2,632	-	54,227	38,388	-	38,388
Disposals/transfers	-	-	-	-	-	-	-	-	-	(70)	(70)
impairment during the year [refer note 32]	-	-	-	-	-	-	-	-	(415)	-	(415)
Other adjustments											
- Foreign currency translation adjustment	1,267	889	169	-	-	16	-	1,074	649	12	661
At March 31, 2023	**1,61,362**	**49,515**	**11,185**	**1,823**	**77**	**2,648**	**81**	**65,329**	**46,655**	**745**	**47,400**
Accumulated amortisation											
At April 01, 2021	-	1,006	481	749	77	-	81	2,394	105	-	105
Amortisation for the year	-	889	225	196	-	-	-	1,310	-	-	-
- Foreign currency translation adjustment	-	71	15	-	-	-	-	86	-	-	-
At March 31, 2022	**-**	**1,966**	**721**	**945**	**77**	**-**	**81**	**3,790**	**105**	**-**	**105**
Amortisation for the year	-	2,012	519	309	-	74	-	2,914	-	-	-
Impairment during the year [refer note 32]			324					324	-	-	-
Foreign currency translation adjustment	-	288	49	-	-	-	-	337	-	-	-
At March 31, 2023	**-**	**4,266**	**1,613**	**1,254**	**77**	**74**	**81**	**7,365**	**105**	**-**	**105**
Net carrying amount											
At March 31, 2022	264	4,405	955	626	-	-	-	5,986	6,250	651	6,901
At March 31, 2023	**1,61,362**	**45,249**	**9,572**	**569**	**-**	**2,574**	**-**	**57,964**	**46,550**	**745**	**47,295**

(a) Borrowing cost capitalised during the year amounted to Rs 697 (March 31, 2022: Rs 142).
(b) Refer note 34 (ii) for contractual commitments for purchase of intangible assets.
(c) Refer note 43 for impairment assessment of Goodwill.
(d) During the current year, the Group reassessed the useful life of intangible assets which resulted in changes in the future expected economic benefit from the intangible assets for a period of 15 years (approx). The Management had previously considered life of 7 years to amortise the intangibles. The effect of these changes in useful life is as below

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Post FY 2027
(Decrease) increase in amortisation expense	(140)	(573)	(571)	(476)	(40)	1,800

* Other intangible assets includes computer software and intellectual property rights.

4 (a). Intangible assets under development (continued)

Intangible assets under development ageing schedule:-

Particulars	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	40,252	1,768	1,274	4,001	47,295
As at March 31, 2023	**40,252**	**1,768**	**1,274**	**4,001**	**47,295**
Projects in progress	1,724	1,348	2,626	1,203	6,901
As at March 31, 2022	**1,724**	**1,348**	**2,626**	**1,203**	**6,901**

(i) There are no intangible assets under development which are temporarily suspended as at March 31, 2023 and as at March 31, 2022.

Intangible assets under development completion schedule (projects whose completion is overdue or has exceeded its cost compared to its original plan)

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Project 1	2,749	-	-	-	2,749
As at March 31, 2023	**2,749**	**-**	**-**	**-**	**2,749**
Projects in progress					
Project 1	2,288	-	-	-	2,288
As at March 31, 2022	**2,288**	**-**	**-**	**-**	**2,288**

4 (b). Right-of-use assets

	Right-of-use assets			
	Land	Buildings	Vehicles	Total
Gross carrying amount				
At April 01, 2021	374	1,290	97	1,761
Additions	-	1,369	22	1,391
Disposals	-	(74)	(28)	(102)
At March 31, 2022	**374**	**2,585**	**91**	**3,050**
Additions	-	96	70	166
Disposals	-	(165)	(41)	(205)
At March 31, 2023	**374**	**2,516**	**120**	**3,011**
Accumulated depreciation				
At April 01, 2021	4	191	33	228
Amortisation for the year	2	137	22	161
Disposals/transfer	-	-	(12)	(12)
At March 31, 2022	**6**	**328**	**43**	**377**
Amortisation for the year	12	191	4	207
Disposals/transfer	-	(155)	-	(155)
At March 31, 2023	**18**	**364**	**47**	**429**
Net carrying amount				
At March 31, 2022	368	2,257	48	2,673
At March 31, 2023	**356**	**2,152**	**73**	**2,582**

5. Non-current investments

	March 31, 2023	March 31, 2022
I. Quoted equity instruments at fair value through other comprehensive income		
Vaccinex Inc., USA - 299,226 (March 31, 2022 - 299,226) Common Stock, par value USD 0.0001 each	10	30
Equillium Inc., USA - 2,316,134 (March 31, 2022 - 2,316,134) Common Stock, par value USD 0.001 each	110	555
Total quoted investments in equity instruments	120	585
II. Unquoted equity instruments at fair value through other comprehensive income		
Immuneel Therapeutics Private Limited - 2,020 (March 2022: 2,020) equity shares of Rs 10 each [refer note (i) below]	322	214
HR Kaveri Private Limited - 4,922,663 (March 31, 2022: 4,922,663) Equity shares of Rs. 10 each	49	49
Total unquoted investments in equity instruments	371	263
III. Unquoted equity instruments at fair value through profit or loss		
In others:		
Energon KN Wind Power Private Limited - 41,708 (March 31, 2022 - 38,500) equity shares of Rs 10 each	1	1
Less: Provision for decline, other than temporary, in the value of non-current investments	(1)	(1)
Four Ef Renewables Private Limited - 287,474 (March 31, 2022 - 287,474) equity share of Rs. 100 each	29	29
O2 Renewable Energy II Prviate Limited - 858,000 (March 2022: Nil) equity shares of Rs 10 each	9	-
Hinduja Renewables Two Private Limited - 5,913,566 equity shares (March 31, 2022 - 5,913,566) equity share of Rs. 10 each	59	59
Total unquoted investments in equity instruments	97	88
IV. Unquoted shares/ instruments at fair value through profit or loss		
In others:		
Energon KN Wind Power Private Limited - 15,888 (March 31, 2022 - 14,666) Compulsorily Convertible Preference Shares, par value Rs 100 each	1	1
Less: Provision for decline, other than temporary, in the value of non-current investments	(1)	(1)
O2 Renewable Energy II Prviate Limited - 20,020 (March 2022: Nil) 0.01% compulsory convertible debentures of Rs. 1,000 each [refer note (iii) below]	20	-
Four Ef Renewables Private Limited - 574,947 (March 31, 2022 - 574,947) 0.001% Compulsorily convertible preference Shares of Rs. 100 each [refer note (ii) below]	57	57
Total unquoted investments in preference shares	77	57
V. Investments in Certificates of deposits carried at amortized cost		
Others:		
Inter corporate deposits with financial institutions *	5,380	2,629
Total unquoted investments in deposits	5,380	2,629
Total non-current investments	6,045	3,622
Aggregate value of quoted investments	120	585
Aggregate value of unquoted investments	5,927	3,039
Aggregate amount of impairment in value of investments	2	2

(i) During the year ended March 31, 2021, Syngene invested Rs. 100 in Immuneel Therapeutics Private Limited. During the year ended March 31, 2022, additional funding from external investors were received resulting in a dilution of Syngene's equity interest. The gain on fair valuation from Rs. 100 to Rs. 214 is recognised in Other comprehensive income. During the year ended 31 March 2023, the Company based on a fair valuation recorded a fair value increase in its investment carrying value by Rs. 108.

(ii) Terms of conversion: 1 compulsory convertible preference share of face value Rs. 100/- each will convert to 1 equity share of face value Rs. 100/- at end of the tenure of 20 years from allotment.

(iii) Terms of conversion: 1 compulsory convertible debentures of face value Rs. 1000/- each will convert to 1 equity share of face value Rs. 100/- at end of the tenure of 20 years from allotment.

* Inter corporate deposits with financial institutions yield fixed interest rate.

The Group's exposure to credit and currency risks, and loss allowances are disclosed in note 36.

6 (a) . Other financial assets

(i) Non-current		
Deposits	587	454
Contingent consideration receivable [refer note 36(D) and 42(d)]	8,993	-
Bank deposits with maturity of more than 12 months	1,250	-
	10,830	454
(ii) Current		
Interest accrued but not due	564	619
Other receivables	757	3,887
	1,321	4,506

6 (b). Loans

Loan to associate- considered good- unsecured *	-	671
	-	671

During the year ended March 31, 2022, the Group gave loan to an associate. The loan was repayable on demand and carried interest of 4% p.a. During the year ended March 31, 2023, this loan has been converted to Investment in preferred stock in the associate [refer note 33].

* Net of losses recognized by using equity method of Rs. Nil (March 31, 2022 - Rs. 12)

Loan to associate- considered good- unsecured comprise loans to the following:

Bicara Therapeutics Inc.	-	671
Maximum amount outstanding during the year	683	683

Loans are granted to related parties (as defined under Companies Act, 2013) that are repayable on demand:

Name of borrower	March 31, 2023		March 31, 2022	
	Amount of loan outstanding	Percentage to the total Loans	Amount of loan outstanding	Percentage to the total Loans
Bicara Therapeutics Inc.	-	-	671	100%

The Group has not granted any advances in the nature of loans to promoters, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly.

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	March 31, 2023	March 31, 2022
7. Deferred tax balances		
Deferred tax assets (net)	3,010	2,933
Deferred tax liabilities (net)	(3,818)	(523)
Total	(808)	2,410
Deferred tax liabilities		
Property, plant and equipment and intangible assets	3,771	2,648
Intangible assets acquired in business combination [refer note 38(d)]	2,852	-
Goodwill	654	-
Derivative assets	250	359
Deferred consideration	385	-
Others	-	72
Gross deferred tax liabilities	7,913	3,079
Deferred tax assets		
Provision for employee benefits	525	544
Derivative liabilities	95	52
Allowance for doubtful debts	119	91
Other deductible expenses	180	93
MAT credit entitlement	2,723	3,714
Deferred revenue	93	54
Carry-forward losses	2,603	-
Others	767	941
Gross deferred tax assets	7,105	5,489
Deferred tax assets (net) [refer note 38 (d)]	(808)	2,410

8. Other assets		
(Unsecured considered good, unless otherwise stated)		
(a) Non-current		
Capital advances	1,216	512
Duty drawback receivable	112	86
Balances with statutory / government authorities	1,486	737
Prepayments	167	296
	2,981	1,631
(b) Current		
Balances with statutory / government authorities	3,061	2,046
Advance to suppliers	1,503	1,288
Prepayments	1,316	873
	5,880	4,207

9. Inventories		
Raw materials, including goods-in-bond *	8,962	6,018
Packing materials	3,767	2,539
Traded goods	11,983	255
Finished goods	4,013	3,546
Work-in-progress	13,712	10,624
	42,437	22,982

* Inventories includes goods in-transit Rs. 326 (March 31, 2022 - Rs 207)

Write-down of inventories to net realisable value and provision for stock obsolescence amounted to Rs. 719 (March 31, 2022 - Rs 474). These were recognised as an expense during the year and included in 'changes in inventories of finished goods, work-in-progress and stock-in-trade' in the Statement of profit and loss.

10. Current investments		
Quoted - Investments at fair value through profit or loss:		
(a) Investment in mutual funds	4,414	2,416
(a) Investment in Adagio Theraupetics Inc. - 294,000 (March 31, 2022 - 294,000) Common Stock, par value USD 0.0001 each	29	102
	4,443	2,518
Unquoted- Investment carried at amortised cost		
Inter corporate deposits with financial institutions *	8,822	9,659
	8,822	9,659
Total current investments	13,265	12,177

* Inter corporate deposits with financial institutions yield fixed interest rate.

Aggregate market/ fair value of quoted investments	4,443	2,518
Aggregate value of unquoted investments	8,822	9,659

The Group's exposure to credit and currency risks, and loss allowances are disclosed in note 36.

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	March 31, 2023	March 31, 2022
11. Trade receivables		
(a) Trade Receivables considered good - Unsecured	35,732	20,582
(b) Trade Receivables - credit impaired	617	363
	36,349	20,945
Allowance for expected credit loss	(617)	(363)
	35,732	20,582

The Group's exposure to credit and currency risks, and loss allowances are disclosed in note 36.

	Outstanding for following periods from due date of payment							
Trade receivables ageing schedule:	Unbilled	Not overdue	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	2,613	39,226	3,871	2,507	300	-	-	48,518
Undisputed trade receivables - credit impaired	122	-	41	42	204	166	42	617
As at March 31, 2023	2,735	39,226	3,912	2,549	504	166	42	49,135
Less: Provision for chargebacks / discounts / rebates / incentives settled through issuance of credit note								(12,785)
								36,349
Undisputed trade receivables - considered good	3,114	14,155	2,724	270	319	-	-	20,582
Undisputed trade receivables - credit impaired	-	-	-	12	311	5	35	363
As at March 31, 2022	3,114	14,155	2,724	282	630	5	35	20,945

	March 31, 2023	March 31, 2022
12. Cash and bank balances		
Cash and cash equivalents		
Balances with banks:		
On current accounts	12,872	6,326
On unpaid dividend account	3	4
Deposits with original maturity of less than 3 months	360	300
Total cash and cash equivalents	13,235	6,630
Other bank balances		
Deposits with maturity of less than 12 months	10,763	10,842
Margin money deposit [Refer note (a) below]	3	3
Total other bank balances	10,766	10,845
Total cash and bank balances	24,001	17,475

(a) Margin money deposits with carrying amount of Rs 3 (March 31, 2022 - Rs 3) are subject to first charge against bank guarantees obtained.

(b) The Group has cash in hand which are not disclosed above since amounts are rounded off to Rupees million.

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	March 31, 2023	March 31, 2022
13(a). Equity share capital		
Authorised		
1,250,000,000 (March 31, 2022 - 1,250,000,000) equity shares of Rs 5 each (March 31, 2022 - Rs 5 each)	6,250	6,250
Issued, subscribed and fully paid-up		
1,200,600,000 (March 31, 2022 - 1,200,600,000) equity shares of Rs 5 each (March 31, 2022 - Rs 5 each)	6,003	6,003

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

	March 31, 2023		March 31, 2022	
	No. of shares	Rs Million	No. of shares	Rs Million
At the beginning of the year	1,20,06,00,000	6,003	1,20,00,00,000	6,000
Issue of shares	-	-	6,00,000	3
Outstanding at the end of the year	1,20,06,00,000	6,003	1,20,06,00,000	6,003

(ii) Terms/ rights attached to equity shares
The Company has only one class of equity shares having a par value of Rs 5 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.

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

	March 31, 2023		March 31, 2022	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs 5 each fully paid				
Kiran Mazumdar-Shaw	47,61,36,622	39.66%	47,57,25,384	39.62%
Glentec International Limited	23,72,11,164	19.76%	23,72,11,164	19.76%

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

(iv) Shares reserved for issue under options
For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, refer note 30.

(v) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date:

Particulars	Year ended March 31				
	2023	2022	2021	2020	2019
Equity shares of Rs 5 each	-	-	-	60,00,00,000	-

The Company had allotted 600,000,000 equity shares of Rs 5 each fully paid up as bonus shares on June 19, 2019 in the ratio of 1:1 (one equity shares of Rs 5 each for every one equity share of Rs 5 each held in the Company as on the record date i.e. June 13, 2019) by capitalisation of securities premium and general reserve. In accordance with Ind AS 33, the Earnings per share data adjusted to give effect to the bonus issue.

(vi) Details of shares held by promoters

March 31, 2023

Name of the promoter	No. of equity shares	% of Total Shares	% change during the year
Kiran Mazumdar Shaw	47,61,36,622	39.66%	0.03%
Yamini R Mazumdar	-	0.00%	-0.11%
J M M Shaw	84,45,348	0.70%	0.00%
Ravi Mazumdar	53,01,321	0.44%	0.04%
Dev Mazumdar	9,29,721	0.08%	0.03%
Glentec International Limited	23,72,11,164	19.76%	0.00%
Total	**72,80,24,176**	**60.64%**	**0.00%**

March 31, 2022

Name of the promoter	No. of equity shares	% of Total Shares	% change during the year
Kiran Mazumdar Shaw	47,57,25,384	39.62%	- 0.02%
Yamini R Mazumdar	13,08,712	0.11%	-
J M M Shaw	84,45,348	0.70%	-
Ravi Mazumdar	48,15,084	0.40%	-
Dev Mazumdar	5,18,484	0.04%	-
Glentec International Limited	23,72,11,164	19.76%	- 0.01%
Total	**72,80,24,176**	**60.64%**	**- 0.03%**

13(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.

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

Retained earnings
The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the standalone financial statements of the Company and also considering the requirements of the Act. Thus the amounts reported are not distributable in entirety.

SEZ re-investment reserve
The SEZ re-investment reserve has been created out of profit of eligible SEZ units in terms of the provisions of section 10AA(1)(ii) of the Income-tax Act, 1961. The reserve has been utilised for acquiring new plant and machinery for the purpose of its business in terms of section 10AA(2) of the Income-tax Act, 1961.

Share based payment reserve
The Group has established various equity settled share-based payment plans for certain categories of employees of the Group. Also refer note 30 for further details on these plans.

Treasury shares
Own equity instruments that are reacquired (treasury shares) by the ESOP trusts of the Group are recognised at cost and deducted from equity.

Foreign currency translation reserve
Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's reporting currency (i.e. Indian Rupees) are accumulated in the foreign currency translation reserve. This also includes effective portion of Group's net investment in foreign operations.

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

Debenture redemption reserve
The Group had issued Redeemable Non-Convertible Debentures ("NCD") and Redeemable Optionally Convertible Debentures ("OCD") in prior years. As per the provisions of the Companies Act, 2013, debenture redemption reserve is created out of profits available for payment of dividend.

Capital redemption reserve
The Group had redeemed intercompany 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 is transferred to the capital redemption reserve.

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

14. Non-current borrowings

	March 31, 2023	March 31, 2022
Loans from banks (secured)		
Term loan [refer note (a), (b), (c), (d), (e), (f), (h), (k),and (m) below]	1,24,001	23,838
Redeemable Non-Convertible Debentures ("NCD") [refer note (i) and (l) below]	12,922	2,000
Loans from banks (unsecured)		
Term loan [refer note (g) below]	1,952	1,898
Other loans and advances (unsecured)		
Redeemable Optionally Convertible Debentures ("OCD") [refer note (j) below]	14,030	12,344
	1,52,905	40,080
Less: Amount disclosed under the head "Current borrowings" [refer note 19]	-	(95)
	1,52,905	**39,985**
The above amount includes		
Secured borrowings	1,36,923	25,838
Unsecured borrowings	15,982	14,242
Amount disclosed under the head "Current borrowings" [refer note 19]	-	(95)
Net amount	**1,52,905**	**39,985**

(a) During the year ended March 31, 2021, HDFC bank has sanctioned external commercial borrowing (ECB) facility of USD 25 million to the Company. During the current year, the Company has drawn ECB of USD 15 million, carrying interest @ Libor + 1.75% per annum. The loan is repayable in 3 yearly instalments commencing from June 2025. The loan is secured by exclusive charge on the fixed assets to be created out of the term loan facility. The Company has entered into interest rate swap converting the floating rate to fixed rate of interest. Carrying value of the loan as at March 31, 2023 amounts to Rs 2,055 (March 31, 2022: 759).

(b) During the year ended March 31, 2021, Biocon Biosphere Limited ("BBSL") obtained an external commercial borrowing of USD 50 million from a bank. During the current year, the Company has drawn ECB of USD 16 million, carrying interest @ Libor + 1.75% per annum. The loan is repayable in 3 yearly instalments commencing from June 15, 2025. The loan is secured by first priority pari passu charge on the plant and machinery of the facility for the manufacture of pharmaceuticals. BBSL has entered into interest rate swap to convert floating rate to fixed rate. Carrying value of the loan as at March 31, 2023 amounts to Rs 4,109 (March 31, 2022: 2,581).

(c) During the year ended March 31, 2019, Biocon Biologics Limited ("BBL") had obtained an external commercial borrowing facility of USD 75 million from MUFG Bank Limited. This loan is repayable in 3 annual instalments commencing from April 2024 and carries an interest rate of LIBOR + 1% p.a. The term loan facility is secured by first priority pari-passu charge on the plant and machinery of the proposed facility for the manufacturing of pharmaceuticals. Carrying value of the loan as at March 31, 2023 amounts to Rs 6,164 (March 31, 2021: 5,694).

(d) During the year ended March 31, 2021, BBL had obtained a Term loan facility from The Hongkong and Shanghai Banking Corporation Limited amounting to Rs 3,500 repayable in 2 equal annual instalments commencing from April 2024. Term loan carries an interest rate of 3 Months T Bill + 2.39% p.a. and are secured by first pari-passu charge on the present and future of movable fixed assets of the BBL. Carrying value of the loan as at March 31, 2023 amounts to Rs 3,500 (March 31, 2022: 3,500).

(e) During the year ended March 31, 2023, the Biosimilars Newco Limited (subsidiary of BBL) has entered into a USD 1.2 Billion long-term syndicated loan facility agreement for a tenure of 5 years. The term loan is repayable in quarterly instalments starting after 30 months of the execution of the agreement and carries an interest rate of SOFR + margin of 1.75% p.a to 1.35% p.a. The loan is secured by first pari-passu charge movable fixed assets of BBL, Biocon Sdn. Bhd., Malaysia. ("Biocon Malaysia"), Biocon Biologics UK Ltd ("Biocon UK"), Biosimilars Newco Limited and Biosimilars collaboration Ireland Limited. Further the loan is also secured by corporate guarantee by BBL, Biocon Malaysia, Biocon UK and Biosimilars Collaboration Ireland Limited. Carrying value of the loan as at March 31, 2023 amounts to Rs 97,118 (March 31, 2022: Nil), net-off unamortised debt issuance cost of Rs. 1,497.

For the purpose of computing covenants , any infusion of funds subsequently through issue of equity shares or any other instrument which is subordinate to the term loans, will be considered retrospectively for all purposes. Accordingly funding raised by BBL in May 2023 has been considered to comply with the financial covenant requirements of BBL as at March 31, 2023. As at the date of adoption of these financial statements, BBL complies with the financial covenants as of March 31, 2023.

(f) During the year ended March 31, 2022, Biocon UK had obtained a term loan facility of USD 75 million from The Hongkong and Shanghai Banking Corporation Limited for a tenure of 5 years. The term loan is repayable over the period of 4 years and carries an interest rate of 1 month LIBOR + 1% p.a. and are secured by first pari-passu charge on the present and future Plant and Machineries of Biocon Malaysia. Carrying value of the term loan as at March 31, 2023 is Rs. 6,164 (March 31, 2022: 5,694).

(g) During the year ended March 31, 2022, Biocon Biologics UK Limited ("Biocon UK") (formerly "Biocon Biologics Limited") had obtained a term loan facility of USD 25 million from The HDFC Bank Limited for a tenure of 5 years. The term loan is repayable in 5 annual installments starting from the end of year 1 and carries an interest rate of 3 months LIBOR + 1.25% p.a. Carrying value of the term loan as at March 31, 2023 is Rs. 1,952 (March 31, 2022: 1,898).

(h) (i) Syngene International Limited ('Syngene') has entered into external commercial borrowing agreement dated September 21, 2020 to borrow USD 50 million (Rs. 4,109) term loan facility. The facility is borrowed to incur capital expenditure at Bengaluru, Hyderabad and Mangaluru premises of Syngene and was used for this specific purpose. The facility carries an interest rate of Libor + 1.30% and are to be paid in three instalments of USD 7.5 million in September 2023, USD 12.5 million in September 2024 and USD 30 million in September 2025. The facility is secured by first priority pari passu charge on fixed assets (movable plant and machinery) and second charge on current assets of Syngene.

(h) (ii) Syngene has entered into foreign currency term loan agreement dated March 30, 2021 to borrow USD 20 million (Rs. 1,644) term loan facility. The facility is borrowed to incur capital expenditure at Bengaluru, Hyderabad and Mangaluru premises of the Company and was used for this specific purpose. The facility carries an interest rate of Libor + 0.87% and are to be paid in three instalments of 15%, 25% and 60% from end of 3 years, 4 years and 5 years respectively from the date of origination. The facility is secured by first priority pari passu charge on fixed assets (movable plant and machinery) and second charge on current assets of Syngene.

(i) During the year ended March 31, 2021, BBL had issued NCD of face value Rs 10,00,000 each to HDFC Bank Limited amounting to Rs. 2,000 for a tenure of 43 months. The debentures are repayable at the end of the term in April 2024. The NCD carries call/put option on or after September 21, 2023. The debentures carries fixed coupon rate of 6.8949% p.a. and are secured by first pari-passu charge on the movable fixed assets of the BBL. Carrying value of the loan as at March 31, 2023 amounts to Rs 2,000 (March 31, 2022: 2,000).

(j) During the year ended March 31, 2021 , BBL has entered into an agreement with Goldman Sachs India AIF Scheme-1('Investor') whereby the Investor has infused Rs.11,250 against issuance of Optionally Convertible Debentures. The debentures are issued for a tenor of 61 months, are unsecured, redeemable at par and carry a conversion option at any time during the tenor at the option of the investor. It also bears a coupon rate of 5% per annum payable on compounded and cumulative basis only on redemption. The debentures were accounted in the consolidated financial statements as a compound financial instrument in line with Ind AS, given that it has both financial liability and equity feature. Accordingly, the consideration received was bifurcated into financial liability and equity in the consolidated financial statements.

An amendment to the agreement, was entered during the year ended March 31, 2022 which resulted in modification of the compound financial instrument [refer note 32]

(k) On October 5, 2021, the Biofusion Therapeutics Limited ("BTL") obtained an FCNR loan(Foreign Currency Non Resident) of USD 5.5 million from a bank, carrying interest @ SOFR + 228 bps per annum. The loan is secured by first priority pari passu charge on the plant and machinery of the facility.

During the year ended March 31, 2023, BTL has drawn additional USD 1 million of said loan. The loan was fully repaid during the year.

(l) During the current year, the Company has issued 1,07,000 redeemable Non-Convertible Debentures (NCD) in 3 series each having a face value of Rs 1,00,000 with a minimum return of 12% per annum plus agreed variable coupon payable upon redemption. The variable coupon is linked to the equity share price of a subsidiary. Tenure of the NCD is 5 years from the date of allotment or earlier based on put option terms. The NCD are secured by way of pledge over 3,81,13,557 equity shares of a subsidiary held by the Company. The NCD proceeds were utilised for repayment of mezzanine borrowing which was raised for investing in the subsidiary.

(m) During the year, the Company issued Commercial Paper ('CP') of Rs. 22,500 at a discounted value of Rs. 22,073 which were listed in the National Stock Exchange in India. The same has been fully repaid by the Company at maturity value in the year ended March 31, 2023.

(n) The Group has met all the covenants under these arrangements as at March 31, 2023 and March 31, 2022.

(o) The Group's exposure to liquidity, interest rate and currency risks are disclosed in note 36.

15. Leases

The Group has entered into lease agreements for use of land, buildings and vehicles which expires over a period ranging upto the year of 2117. Gross payments for the year aggregate to Rs. 294 (March 31, 2022: Rs. 199).

The following is the movement in lease liabilities:

Particulars	Land	Buildings	Vehicles	Total
Balance at April 01, 2021	2	1,167	56	1,225
Additions during the year	-	1,337	22	1,359
Finance cost accrued during the year	-	112	5	117
Deletions	-	(68)	(8)	(76)
Payment of lease liabilities	(2)	(162)	(35)	(199)
Balance at March 31, 2022	**-**	**2,386**	**40**	**2,426**
Additions during the year	-	111	76	188
Finance cost accrued during the year	-	163	6	169
Deletions	-	-	(8)	(8)
Payment of lease liabilities	-	(260)	(35)	(294)
Balance at March 31, 2023	**-**	**2,400**	**81**	**2,481**

The following is the break-up of current and non-current lease liabilities:	March 31, 2023	March 31, 2022
Non current lease liabilities	2,091	2,215
Current lease liabilities	390	211
	2,481	**2,426**

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

Less than one year	447	261
One to five years	1,198	1,065
More than five years	2,626	3,019
Total	**4,271**	**4,345**

The following are the amounts recognised in Profit or loss:		
Amortisation of right to use assets	207	161
Interest expenses on lease liabilities	169	117
Short-term lease payment [refer note (i) below]	29	38
Total	405	316

(i) The Group 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).

16. Other financial liabilities	March 31, 2023	March 31, 2022
(a) Non-current		
Deferred consideration payable [refer note 42]	25,573	-
Gross liability on written put options [refer note (i) below]	14,039	15,033
Contingent consideration payable [refer note 36(D) and 42(a)]	6,583	-
	46,195	**15,033**

(i) During the year ended March 31, 2020, the Group had entered into an agreement with Activ Pine LLP ('Investor') whereby the Investor has infused Rs. 5,363 against issuance of equity shares of a subsidiary company, Biocon Biologics Limited ('BBL'), which represents 2.44 % shareholding of BBL. The consideration was received and equity shares were allotted on January 21, 2020.

During the year ended March 31, 2021, the Group had entered into an agreement with Tata Capital Growth Fund II ('Investor') whereby the Investor has infused Rs 2,250 against issuance of equity shares of a subsidiary company, BBL, which represents 0.85% shareholding of BBL. The consideration was received and equity shares were allotted on September 03, 2020.

During the year ended March 31, 2021, the Group had entered into an agreement with Beta Oryx Limited ('Investor') whereby the Investor has infused Rs 5,550 against issuance of equity shares of a subsidiary company, BBL, which represents 1.87% shareholding of BBL. The consideration was received and equity shares were allotted on March 09, 2021.

As per the above agreements , the Group will be required to provide various options to enable the Investor to exit over a period of time. In the event, such exit events do not occur, the Investor may require the parent company (Biocon Limited), to buy them out at certain prices agreed under the arrangement. Such an obligation to provide exit to the Investors required the Group to record a financial liability towards gross obligation amounting to Rs. 14,039 in the consolidated financial statements in accordance with the Indian Accounting Standards (Ind AS).

The Group in accordance with Ind AS has elected an accounting policy choice to follow an anticipated acquisition method on initial recognition which requires recognition of a gross obligation liability with a corresponding derecognition of non-controlling interest balance in its consolidated financial statements. Further, in accordance with the generally accepted accounting principles, the Group has made an accounting policy choice to present any subsequent change in the fair value of gross obligation liability in other equity. The fair value of the gross obligation is computed using the underlying share price of the unlisted subsidiary which is determined based on discounted cash flow approach and other factors.

(b) Current

Deferred consideration payable	2,014	-
Book overdraft	-	2
Unpaid dividends	4	4
Interest accrued but not due	202	140
Payables for capital goods	2,448	3,486
	4,668	**3,632**

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17. Provisions

	March 31, 2023	March 31, 2022
(a) Non-current		
Provision for employee benefits		
Gratuity [refer note 35]	1,034	917
Provision for sales return	1,231	-
	2,265	917
(b) Current		
Provision for employee benefits		
Gratuity [refer note 35]	267	314
Compensated absences	935	855
Provision for sales return	284	136
	1,486	1,305

(i) Movement in provisions	For the year ended March 31, 2023		
	Gratuity	Compensated absences	Sales return
Opening balance	1,231	855	136
Acquired through business combination [refer note 42]	-	-	1,307
Provision recognised / (reversed) during the year	70	80	72
Closing balance	1,301	935	1,515

	For the year ended March 31, 2022		
	Gratuity	Compensated absences	Sales return
Opening balance	1,222	798	136
Provision recognised / (reversed) during the year	9	57	-
Closing balance	1,231	855	136

18. Other liabilities

	March 31, 2023	March 31, 2022
(a) Non-current		
Deferred revenues [refer note 21]	2,901	12,151
	2,901	12,151
(b) Current		
Deferred revenues [refer note 21]	1,915	1,053
Advances from customers [refer note 21]	5,409	4,445
Statutory taxes and dues payable	3,437	432
Other dues	334	320
	11,094	6,250

19. Current borrowings

From banks/ financial institutions		
Term loans		
Packing credit foreign currency loan (unsecured) [refer note (i) and (ii) below]	2,218	5,238
Packing credit rupee export loan (unsecured) [refer note (iii) below]	8,870	3,250
External commercial borrowings (secured) [refer note 14(h)(i) above]	616	-
Cash credit [refer note (iv) below]	287	93
Working capital loan (secured) [refer note (v) below]	411	379
Current maturities of non-current borrowings [refer note 14]	-	95
Inter Corporate Deposit ('ICD') [refer note (vi) below]	12,400	-
	24,802	9,055
The above amount includes		
Secured borrowings	1,561	474
Unsecured borrowings	23,241	8,581

(i) Syngene had obtained foreign currency denominated short term unsecured pre-shipment credit loans of Rs. 2,862 (USD 35 million) and the balance as on 31 March 2023 is Nil [31 March 2022 : Rs. 2,581 (USD 34 million)] that carries interest rate of SOFR + 40 to 60 Bps (31 March 2022: SOFR + 0.20% to +0.30%).

(ii) BBL has obtained foreign currency short term unsecured pre-shipment credit loans from various banks that carries fixed interest rate ranging from 5.62% p.a. to 6.23% p.a. Packing credit foreign currency loan tenure is upto 180 days from the date of draw down.

(iii) BBL has obtained rupee denominated short term unsecured pre-shipment credit loans from various banks that carries interest rate ranging from 6.96% p.a. to 8.20% p.a. Packing credit rupee loan tenure is upto 180 days from the date of draw down.

(iv) Biocon SDN. BHD, Malaysia had availed working capital facilities upto USD 10 million carrying an interest rate of Bank Lending Rate + 0.5% p.a. The loan is secured by corporate guarantee by BBL.

(v) Biocon Pharma Inc. (BPI) has availed working capital facilities upto USD 5 million carrying an interest rate of 2.1% - 5.7% p.a. The working capital facilities are secured by a charge on inventories and accounts receivables of BPI.

(vi) During the current year, Biocon Pharma Limited ('BPL') borrowed an unsecured loan of Rs 12,400 from Serum Institute Life Sciences Pvt Ltd carring interest rate of 8% for a period of six months. The same has been settled subsequent to the year end by transfer of shares of Biocon Biologics Limited, held by BPL.

20. Trade payables

Trade and other payables		
- total outstanding dues of micro and small enterprises	1,491	1,036
- total outstanding dues of creditors other than micro and small enterprises*	38,340	15,049
	39,831	16,085

* includes Other payables comprising of allowances for Chargebacks / Discounts / Rebates / Incentives expected to be settled in cash

All trade payable are 'current'. The Group's exposure to currency and liquidity risks related to trade payables is disclosed in Note 36.

Trade payables aging schedule:

March 31, 2023	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
Outstanding dues of micro and small enterprises	-	648	838	4	1	-	1,491
Outstanding dues of creditors other than micro and small enterprises	22,728	4,236	11,225	52	41	58	38,340
	22,728	4,884	12,063	56	42	58	39,831

March 31, 2022	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
Outstanding dues of micro and small enterprises	-	768	261	4	2	1	1,036
Outstanding dues of creditors other than micro and small enterprises	8,223	3,874	2,750	94	42	66	15,049
	8,223	4,642	3,011	98	44	67	16,085

	Year ended March 31, 2023	Year ended March 31, 2022
21. Revenue from contracts with customers		
Sale of products		
Finished goods*	66,564	51,866
Traded goods	9,881	2,849
Sale of services		
Contract research and manufacturing services income [Refer note (a)]	30,839	25,048
Licensing and development fees	2,057	485
Other operating revenue		
Sale of process waste	379	244
Incentives from government	999	-
Others	1,023	1,348
Revenue from operations	**1,11,742**	**81,840**

(a) Revenue for the year ended March 31, 2022 include manufacture and sale of remdesivir, a broad-spectrum antiviral medication for the treatment of Covid-19 infection under the brand name 'RemWin' in a voluntary licensing agreement received from Gilead Sciences Inc.

* includes profit share

21.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Year ended March 31, 2023				
	Generics	Biosimilars	Novels	Research	Total
Revenue from contracts with customers					
Sale of products	23,733	52,712	-	-	76,445
Sale of services	-	2,058	192	30,646	32,896
	23,733	**54,770**	**192**	**30,646**	**1,09,341**
Revenue from other sources					
Other operating revenue	827	828	-	746	2,401
	827	**828**	**-**	**746**	**2,401**
Total Revenue from operations	**24,560**	**55,598**	**192**	**31,392**	**1,11,742**

	Year ended March 31, 2022				
	Generics	Biosimilars	Novels	Research	Total
Revenue from contracts with customers					
Sale of products	21,195	33,520	-	-	54,715
Sale of services	25	460	510	24,538	25,533
	21,220	**33,980**	**510**	**24,538**	**80,248**
Revenue from other sources					
Other operating revenue	690	321	-	581	1,592
	690	**321**	**-**	**581**	**1,592**
Total Revenue from operations	**21,910**	**34,301**	**510**	**25,119**	**81,840**

21.2 Changes in contract liabilities - advances from customers and deferred revenues

	March 31, 2023	March 31, 2022
Balance at the beginning of the year	17,649	15,289
Add:- Increase due to invoicing during the year	10,989	7,922
Add:- foreign currency translation	710	262
Less:- Contract liabilities derecognised as pre-existing relationship pursuant to business combination	(9,260)	-
Less:- Amounts recognised as revenue during the year	(9,863)	(5,824)
Balance at the end of the year	**10,225**	**17,649**
Expected revenue recognition from remaining performance obligations:		
- Within one year	7,324	5,498
- More than one year	2,901	12,151
	10,225	**17,649**

21.3 Contract balances

Trade receivables including unbilled revenue	35,732	20,582
Contract liabilities	10,225	17,649

Trade receivables are non-interest bearing. Refer note 11 and note 18. Contract liabilities include deferred revenue and advance from customers.

21.4 Performance obligation:

In relation to information about Group's performance obligations in contracts with customers refer note 2(l).

21.5 Reconciliation of revenue from contracts with customers

Revenue from contracts with customers as per contract price	**1,73,230**	**84,532**
Adjustments made to contract price on account of :-		
a) Chargebacks / Discounts / Rebates / Incentives	(62,864)	(4,042)
b) Sales returns/ reversals	(1,025)	(242)
Revenue from Contracts with customers as per statement of profit and loss*	**1,09,341**	**80,248**

* Includes revenue from sale of products and sale of services.

22. Other income

	Year ended March 31, 2023	Year ended March 31, 2022
Interest income on:		
Deposits with banks and financial institutions	1,109	1,081
Others	15	40
Net gain on sale of current investments	416	133
Net gain on financial assets measured at fair value through profit or loss	10	(12)
Gain on dilution of interest in an associate [refer note 44]	2,170	299
Foreign exchange gain, net	-	579
Other non-operating income	39	7
	3,759	**2,127**

23. Cost of materials consumed

Inventory at the beginning of the year	8,557	6,807
Add: Purchases	36,083	29,889
Less: Inventory at the end of the year	(12,729)	(8,557)
Cost of materials consumed	**31,911**	**28,139**

24. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Inventory at the beginning of the year		
Stock-in-trade	255	221
Finished goods	3,546	4,289
Work-in-progress	10,624	7,349
	14,425	**11,859**
Inventory acquired through business combination [refer Note 42]	13,742	-
Inventory at the end of the year		
Stock-in-trade	11,983	255
Finished goods	4,013	3,546
Work-in-progress	13,712	10,624
	29,708	**14,425**
	(1,541)	**(2,566)**

25. Employee benefits expense

Salaries, wages and bonus	18,282	15,584
Contribution to provident and other funds	918	762
Gratuity [refer note 35]	237	257
Share-based compensation expense [refer note 30]	1,376	1,257
Staff welfare expenses	997	941
	21,810	**18,801**

26. Finance costs

Interest expense on financial liabilities measured at amortised cost	3,799	559
Interest expense on financial liability measured at FVTPL	222	-
Interest on finance lease obligation [refer note 15]	169	117
	4,190	**676**

27. Depreciation and amortisation expense

Depreciation of property, plant and equipment [refer note 3]	8,010	6,671
Amortisation of intangible assets [refer note 4 (a)]	2,914	1,310
Depreciation of right of use assets [refer note 4 (b)]	207	161
	11,131	**8,142**

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	Year ended March 31, 2023	Year ended March 31, 2022
28. Other expenses		
Royalty and technical fees	37	52
Rent	29	38
Communication expenses	143	95
Travelling and conveyance	957	509
Professional charges	1,875	1,301
Transition Support Agreement ('TSA') expense [refer note 42(j)]	4,063	-
Payment to auditors	45	30
Directors' fees including commission	151	133
Power and fuel	4,148	3,164
Insurance	588	443
Rates, taxes and fees	436	306
Lab consumables	2,688	1,655
Repairs and maintenance		
Plant and machinery	3,573	2,682
Buildings	397	292
Others	1,524	1,571
Selling expenses		
Freight outwards and clearing charges	551	563
Sales promotion expenses	1,482	1,692
Commission and brokerage (other than sole selling agents)	183	183
Bad debts written off	10	8
Provision/ (reversal) for doubtful debts, net	54	240
Net loss on financial assets/ liabilities measured at fair value through profit or loss	618	274
Printing and stationery	130	115
Loss on sale of assets, net	52	23
Foreign exchange loss, net	1,605	-
Research and development expenses	6,779	6,121
Clinical trial and development expenses	111	62
CSR expenditure	202	207
Miscellaneous expenses	433	313
	32,864	**22,072**
Less: Expenses capitalized to intangible assets	(758)	(1,155)
	32,106	**20,917**

29. Research and development expenses		
Research and development expenses	6,779	6,121
Lab consumables	2,688	1,655
Employee benefits expense	1,769	1,703
Depreciation	216	221
Other research and development expenses included in other heads	2,289	983
	13,741	**10,683**
Less: Recovery of product development costs from co-development partners (net)	(1,789)	(3,578)
Less: Expenses capitalized to intangible assets	(758)	(1,155)
	11,194	**5,950**

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30. Employee stock compensation

(a) Biocon ESOP Plan

On September 27, 2001, Biocon's Board of Directors approved the Biocon Employee Stock Option Plan ('ESOP Plan 2000') for the grant of stock options to the employees of the Company and its subsidiaries / joint venture company. The Nomination and Remuneration Committee ('Remuneration Committee') administers the plan through a trust established specifically for this purpose, called the Biocon India Limited Employee Welfare Trust (ESOP Trust).

The ESOP Trust shall make additional purchase of equity shares of the Company using the proceeds from the loan obtained from the Company, other cash inflows from allotment of shares to employees under the ESOP Plan and shall subscribe, when allotted to such number of shares as is necessary for transferring to the employees. The ESOP Trust may also receive shares from the promoters for the purpose of issuance to the employees under the ESOP Plan. The Remuneration Committee shall determine the exercise price which will not be less than the face value of the shares.

Grant VII

In July 2014, the Company approved the grant to its employees under the existing ESOP Plan 2000. The options under this grant would vest to the employees as 10%, 20%, 30% and 40% of the total grant at the end of first, second, third and fourth year from the date of grant, respectively, with an exercise period ending one year from the end of last vesting. The vesting conditions include service terms and performance grade of the employees. These options are exercisable at the closing market price of Company's shares existing on the date preceding to the date of grant.

Particulars	March 31, 2023		March 31, 2022	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	5,89,000	88	20,08,750	82
Granted during the year	-	-	-	-
Lapses/forfeited during the year	(18,000)	124	(84,000)	77
Exercised during the year	(4,78,000)	88	(13,35,750)	79
Expired during the year	(67,250)	98	-	-
Outstanding at the end of the year	**25,750**	79	**5,89,000**	88
Exercisable at the end of the year*	25,750	79	1,03,000	82
Weighted average remaining contractual life (in years)	-	-	0.9	-
Weighted average fair value of options granted (Rs)	-	-	-	-
Range of exercise prices for outstanding options at the end of the year	78-81	-	76-124	-

*These options were exercised by the employees on March 31, 2023 and were allotted subsequently in April 2023.

Grant VIII

In July 2015, the Company approved the grant to its employees under the existing ESOP Plan 2000. The options under this grant would vest to the employees as 10%, 20%, 30% and 40% of the total grant at the end of first, second, third and fourth year from the date of grant, respectively, with an exercise period ending one year from the end of last vesting. The vesting conditions include service terms and performance grade of the employees. These options are exercisable at the closing price as per National Stock Exchange as on the last day of the month preceding the month of first grant.

Particulars	March 31, 2023		March 31, 2022	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	1,05,000	76	1,47,000	75
Granted during the year	-	-	-	-
Lapses/forfeited during the year	-	-	-	-
Exercised during the year	-	-	(42,000)	73
Expired during the year	(1,05,000)	76	-	-
Outstanding at the end of the year	-	-	**1,05,000**	76
Exercisable at the end of the year	-	-	1,05,000	76
Weighted average remaining contractual life (in years)	-	-	-	-
Weighted average fair value of options granted (Rs)	-	-	-	-
Range of exercise prices for outstanding options at the end of the year	-	-	76	-

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30. Employee stock compensation (continued)

Grant IX

In June 2016, the Company approved the grant to its employees under the existing ESOP Plan 2000. The options under this grant would vest to the employees as 10%, 20%, 30% and 40% of the total grant at the end of first, second, third and fourth year from the date of grant, respectively, with an exercise period ending one year from the end of last vesting. The vesting conditions include service terms and performance grade of the employees. These options are exercisable at 50% of the closing price as per National Stock Exchange as on the preceding day to the date of grant.

Particulars	March 31, 2023		March 31, 2022	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	34,46,204	125	53,07,574	124
Granted during the year	-	-	-	-
Lapses/forfeited during the year	(4,73,752)	119	(13,90,500)	135
Exercised during the year	(6,75,535)	107	(4,70,870)	95
Expired during the year	-	-	-	-
Outstanding at the end of the year	**22,96,917**	131	**34,46,204**	125
Exercisable at the end of the year	3,38,417	111	2,05,079	98
Weighted average remaining contractual life (in years)	2.2	-	3.0	-
Weighted average fair value of options granted (Rs)	-	-	-	-
Range of exercise prices for outstanding options at the end of the year	76-173	-	69-173	-

Grant X

In June 2016, the Company approved the grant to its employees under the existing ESOP Plan 2000. The options under this grant would vest to the employees as 10%, 20%, 30% and 40% of the total grant at the end of first, second, third and fourth year from the date of grant, respectively, with an exercise period ending one year from the end of last vesting. The vesting conditions include service terms and performance grade of the employees. These options are exercisable at 50% of the closing price as per National Stock Exchange as on the the preceding day to the date of grant.

Particulars	March 31, 2023		March 31, 2022	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	26,31,874	151	48,57,076	142
Granted during the year	-	-	-	-
Lapses/forfeited during the year	(52,500)	125	(2,56,125)	148
Exercised during the year	(12,32,725)	148	(19,69,077)	130
Expired during the year	-	-	-	-
Outstanding at the end of the year	**13,46,649**	154	**26,31,874**	151
Exercisable at the end of the year	13,46,649	154	9,51,249	139
Weighted average remaining contractual life (in years)	0.4	-	1.3	-
Weighted average fair value of options granted (Rs)	-	-	-	-
Range of exercise prices for outstanding options at the end of the year	83-156	-	69-167	-

The average market price of the Company's share during the year ended March 31, 2023 is Rs 289 (March 31, 2022 - Rs 373) per share .

(b) RSU Plan 2015

On March 11, 2015, Biocon's Remuneration Committee approved the Biocon - Restricted Stock Units (RSUs) of Syngene ('RSU Plan 2015') for the grant of RSUs to the employees of the Company and its subsidiaries other than Syngene. The Remuneration Committee administers the plan through a trust, called the Biocon Limited Employee Welfare Trust. For this purpose, on March 31, 2015, the Company transferred 2,000,000 equity shares of Syngene to Biocon Limited Employees Welfare Trust.

In April 2015, the Company approved the grant to its employees under the RSU Plan 2015. The RSUs under this grant would vest to the employees as 10%, 20%, 30% and 40% of the total grant at the end of first, second, third and fourth year from the date of grant, respectively, with an exercise period ending one year from the end of last vesting. The vesting conditions include service terms and performance grade of the employees. Exercise price of RSUs will be Nil.

Particulars	March 31, 2023		March 31, 2022	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	1,03,758	-	2,85,974	-
Granted during the year	-	-	-	-
Lapses/forfeited during the year	-	-	(50,398)	-
Exercised during the year	(87,286)	-	(1,22,640)	-
Expired during the year	(4,968)	-	(9,178)	-
Outstanding at the end of the year	**11,504**	-	**1,03,758**	-
Exercisable at the end of the year	11,504	-	58,797	-
Weighted average remaining contractual life (in years)	0.4	-	1.1	-
Weighted average fair value of options granted (Rs)	-		-	

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30. Employee stock compensation (continued)

(c) RSU Plan 2019

On January 7, 2019, Biocon's Nomination and Remuneration Committee ('NRC') and the Board of Directors approved the Biocon Biologics - Restricted Stock Units (RSUs) of Biocon Biologics Limited ('RSU Plan 2019') for grant of RSUs to employees of the Group. The NRC administers the plan though a trust called, Biocon Limited Employee Welfare Trust. For this purpose on January 8, 2020, the Company transferred 2,161,904 equity shares of Biocon Biologics Limited to Biocon Limited Employee Welfare Trust.

During the year modification in vesting was approved by NRC. Based on revised approval, 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.

Particulars	March 31, 2023		March 31, 2022	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	70,03,007	2	85,14,615	2
Granted during the year	-	-	-	-
Lapses/forfeited during the year	(8,33,388)	2	(15,11,608)	2
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	61,69,619	2	70,03,007	2
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years)	5.0	-	6.0	-
Weighted average fair value of options granted (Rs)	-	-	-	-

(d) RSU Plan 2020

On May 14, 2020, Biocon's Nomination and Remuneration Committee ('NRC') and the Board of Directors approved the Biocon Restricted Stock Units (RSUs) Long Term Incentive Plan Financial Year 2020-24 ("RSU Plan 2020") for grant of RSUs to present and/or future employees of the Company and its present and future subsidiary companies. The plan is implemented though a trust called, Biocon India Limited Employee Welfare Trust wherein the Company will issue shares to the trust by way of fresh allotment over a period of time.

The RSUs granted under this Plan shall vest over a period of time (service condition) and based upon the performance of the employee. The period of vesting shall be determined as per the date of grant and the maximum period of vesting shall not extend beyond August 1, 2024. The actual number of RSUs to be vested each year for each Grantee shall be based on his individual performance conditions, the key parameters of which shall be measured through growth in revenue and profits, delivering on key strategic initiatives and shareholders' value creation and such other conditions as may be determined by the Managing Director and Chief Executive Officer of the Company in accordance with the overall terms set by the NRC.

Particulars	March 31, 2023		March 31, 2022	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	25,14,976	5	26,30,000	5
Granted during the year	43,709	5	7,24,083	5
Lapses/forfeited during the year	(3,06,915)	5	(4,08,345)	5
Exercised during the year	(5,21,787)	5	(4,30,762)	5
Expired during the year	-	-	-	-
Outstanding at the end of the year	17,29,983	5	25,14,976	5
Exercisable at the end of the year	2,57,218	5	46,147	5
Weighted average remaining contractual life (in years)	2.4	-	3.3	-
Weighted average fair value of options granted (Rs)	377		369	

Assumptions used in determination of the fair value of the stock options under the Black Scholes Model for grants during the year are as follows:

Particulars	March 31, 2023	March 31, 2022
Weighted Average Exercise Price	5	5
Expected volatility	33.0% to 36.2%	33.0% to 36.2%
Life of the options granted (vesting and exercise period) in years	4.03	4.03
Average risk-free interest rate	5.6%	5.6%
Expected dividend rate	0.6%	0.6%

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30. Employee stock compensation (continued)

(e) Syngene ESOP Plan 2011

On July 20, 2012, Syngene Employee Welfare Trust ('Trust') was created for the welfare and benefit of the employees and directors of Syngene and administered by the Nomination and Remuneration Committee. The Board of Directors approved the employee stock option plan of Syngene. On October 31, 2012, the Trust subscribed into the equity shares of the Syngene using the proceeds from interest free loan of Rs. 150 obtained from Syngene.

Grant

Pursuant to the Scheme, Syngene has granted options to eligible employees of the Company under Syngene Employee Stock Option Plan - 2011. Each option entitles for one equity share. The options under this grant will vest to the employees as 25%, 35% and 40% of the total grant at end of second, third and fourth year from the date of grant, respectively, with an exercise period of three years for each grant. The vesting conditions include service terms and performance of the employees. These options are exercisable at an exercise price of Rs. 11.25 [March 31, 2022 : Rs. 11.25] per share (Face Value of Rs. 10 per share).

Details of Grant

Particulars	March 31, 2023	March 31, 2022
	No of Options	No of Options
Outstanding at the beginning of the year	13,42,140	19,58,084
Granted during the year	-	-
Lapses/forfeited during the year	(30,883)	(1,26,792)
Exercised during the year	(7,01,066)	(4,89,152)
Outstanding at the end of the year	**6,10,191**	**13,42,140**
Exercisable at the end of the year	5,49,377	4,82,332
Weighted average exercise price	11.25	11.25
Weighted average share price at the date of exercise (In Rs)	572.7	589.6

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2023 is 0.9 years [March 31, 2022- 1.9 years].

(f) Syngene Restricted Stock Unit Long Term Incentive Plan 2020

The Board of Directors of Syngene on April 24, 2019 and the Shareholders of the Company in the Annual General Meeting held on July 24, 2019 approved the Syngene Restricted Stock Unit Long Term Incentive Plan FY 2020. Each option entitles for one equity share. The options under this grant will vest to the employees as 25%, 25%, 25% and 25% of the total grant at the end of first, second, third and fourth year from the date of first grant, respectively, with an exercise period of 5 years for each grant. The vesting conditions include service terms and performance of the employees. These options are exercisable at an exercise price of Rs. 10 per share (Face Value of Rs. 10 per share).

Details of Grant

Particulars	March 31, 2023	March 31, 2022
	No of Options	No of Options
Outstanding at the beginning of the year	26,27,537	31,03,825
Granted during the year	89,704	4,18,132
Lapses/forfeited during the year	(3,26,215)	(4,67,068)
Exercised during the year	(8,17,184)	(4,27,352)
Outstanding at the end of the year	**15,73,842**	**26,27,537**
Exercisable at the end of the year	5,05,928	2,31,837
Weighted average exercise price	10	10
Weighted average fair value of shares granted during the year under Black Scholes Model (In Rs)	570.01	615.00
Weighted average share price at the date of exercise (In Rs)	569.78	584.30

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2023 is 4 years [March 31, 2022 - 5.19].

Assumptions used in determination of the fair value of the stock options under the Black Scholes Model are as follows:

Particulars	March 31, 2023	March 31, 2022
Dividend yield (%)	0.0%	0.1%
Exercise Price (In Rs)	10	10
Expected volatility	30.4%	32.9%
Life of the options granted (vesting and exercise period) in years	4.5	5.5
Average risk-free interest rate	7.3%	5.0%

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

On July 21, 2021, Board of Directors of Biocon Biologics Limited ("BBL") approved the Biocon Biologics Limited Restricted Stock Units Long Term Incentive Plan FY 2022-24 ('RSU Plan') for the grant of Restricted stock units to the employees of BBL 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 (ESOP Trust).

In August 2021, based on the approval of the Board of BBL, BBL 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. Where the grant is made after August 01, 2021 and before July 31, 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 after August 1, 2022 and before March 31, 2023, 100% would vest in one year from the date of grant. 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.

Details of Grant

Particulars	March 31, 2023		March 31, 2022	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	51,42,857	10	-	-
Granted during the year	13,15,802	10	51,42,857	10
Lapses/forfeited during the year	(8,05,518)	10	-	-
Exercised during the year	(15,911)	10	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	56,37,231	10	51,42,857	10
Exercisable at the end of the year	12,72,862	10	-	-
Weighted average remaining contractual life (in years)	4.3	-	5.3	-
Weighted average fair value of options granted (Rs)	214.3		208.1	

Assumptions used in determination of the fair value of the stock options under the option pricing model for the grants during the year are as follows:

Particulars	March 31, 2023	March 31, 2022
Dividend yield (%)	0.0%	0.0%
Exercise Price (In Rs)	10	10
Expected volatility	39.9% - 43.5%	49.2% - 50.2%
Life of the options granted (vesting and exercise period) in years	5	6
Average risk-free interest rate	5.4% - 6.7%	5.3% - 5.6%

(h) Biocon Biologics Limited Restricted Stock Units Long Term Incentive Plan FY 2023

On February 22, 2023, Board of Directors of the Company approved the Biocon Biologics Limited Restricted Stock Units Long Term Incentive Plan FY 2023 ('RSU Plan 2023') 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 (ESOP 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. These options are exercisable at Rs. 10 per RSU.

Details of Grant

Particulars	March 31, 2023		March 31, 2022	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	20,39,997	10	-	-
Lapses/forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	20,39,997	10	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years)	5.0	-	-	-
Weighted average fair value of options granted (Rs)	229.3		-	-

Assumptions used in determination of the fair value of the stock options under the option pricing model for the grants during the year are as follows:

Particulars	March 31, 2023	March 31, 2022
Dividend yield (%)	0.0%	-
Exercise Price (In Rs)	10	-
Expected volatility	39.5% - 44.7%	-
Life of the options granted (vesting and exercise period) in years	5	-
Average risk-free interest rate	7.1% - 7.4%	-

30. Employee stock compensation (continued)

Particulars	March 31, 2023	March 31, 2022
Summary of movement in respect of shares held by ESOP Trust is as follows:		
Opening balance	75,20,315	1,11,68,774
Add: Shares purchased by the ESOP trust	20,00,000	-
Add: Shares issued by the Company	-	6,00,000
Less: Shares exercised by employees	(29,08,047)	(42,48,459)
Closing balance	**66,12,268**	**75,20,315**
Options granted and eligible for exercise at end of the year	19,68,034	14,10,475
Options granted but not eligible for exercise at end of the year	34,31,265	78,76,579
Summary of movement in respect of equity shares of Syngene held by the RSU Trust is as follows:		
Opening balance	11,78,733	13,01,373
Less: Shares exercised by employees	(87,286)	(1,22,640)
Closing balance	**10,91,447**	**11,78,733**
Options granted and eligible for exercise at end of the year	11,504	58,797
Options granted but not eligible for exercise at end of the year	-	44,961
Summary of movement in respect of equity shares of Biocon Biologics Limited held by the RSU Trust is as follows:		
Opening balance*	1,08,09,520	1,08,09,520
Add: Shares purchased by the RSU Trust from Biocon Limited	-	-
Closing balance	**1,08,09,520**	**1,08,09,520**
Options granted but not eligible for exercise at end of the year	61,69,619	70,03,007
*adjusted for the effect of bonus shares		

31. Earnings per share ('EPS')

Earnings		
Profit for the year	**4,627**	**6,484**
Shares		
Basic outstanding shares	1,20,06,00,000	1,20,05,50,000
Less: Weighted average shares held with the ESOP Trust	(75,04,055)	(94,75,319)
Weighted average shares used for computing basic EPS	**1,19,30,95,945**	**1,19,10,74,681**
Add: Effect of dilutive options granted but not yet exercised / not yet eligible for exercise	28,29,645	52,76,990
Weighted average shares used for computing diluted EPS	**1,19,59,25,590**	**1,19,63,51,671**
Earnings per equity share		
Basic (in Rs)	3.88	5.44
Diluted (in Rs)	3.87	5.42

32. Exceptional items (net)

(a) Biocon Biologics Limited ("BBL") obtained services of professional experts (like advisory, legal counsel, valuation experts etc.) for the transactions referred in note 42 and 48(c). The Group has recorded Rs. 2,374 during the year ended March 31, 2023, and Rs. 410 for the year ended March 31, 2022, as an expense in the consolidated statement of profit and loss under the head 'Exceptional items'. Consequential tax impact of Rs. 231 and Rs. 169 is included within tax expense for the year ended March 31, 2023 and March 31, 2022, respectively.

(b) Pursuant to the acquisition, as mentioned in note 42, the Group also reassessed the value of certain licensed products for development and commercialization and recorded an impairment of certain intangible assets amounting to Rs. 470 . The impairment has been recognized as an exceptional item for the year ended March 31, 2023. Consequential tax impact of Rs. 62 is included within tax expense for the year.

(c) During the year ended March 31, 2021, BBL had entered into an agreement with Goldman Sachs India AIF Scheme-1('Investor') whereby the Investor had infused Rs.11,250 against issuance of Optionally Convertible Debentures. The debentures were issued for a tenor of 61 months, were unsecured, redeemable at par and carry a conversion option at any time during the tenor at the option of the investor. It also bears a coupon rate of 5% (on USD basis, payable only on redemption). The consideration was received, and debentures were issued during year ended March 31, 2021. The debentures were accounted in the consolidated financial statements as a compound financial instrument in line with Ind AS, given that it has both financial liability and equity feature. Accordingly, the consideration received was bifurcated into financial liability and equity in the consolidated financial statements.

An amendment to the agreement, was entered during the year ended March 31, 2022 which resulted in modification of the compound financial instrument. Resulting gain / loss on the modification was recorded within statement of profit and loss and reserves. The amount of Rs 274 was charged in the statement of profit and loss and had been disclosed as an exceptional item. Consequential tax impact of Rs. 49 was included within tax expense in consolidated financial statements for the year ended March 31, 2022.

(d) The Ministry of Commerce and Industry, Government of India issued a Gazette notification number 29/2015-2020 dated 23 September 2021 on Service Exports from India Scheme (SEIS) for services rendered in financial year 2019 - 2020 with the total entitlement capped at Rs. 50 per exporter for the period. The Group during the year ended March 31, 2022, reversed the SEIS claim receivables of Rs. 427 for the financial year 2019-2020 and presented the same under exceptional items in the consolidated financial statements for the year ended March 31, 2022. Consequential tax impact of Rs. 75 was included within tax expense. Further non-controlling interest of Rs 77 was included within non-controlling interest in consolidated financial statements for the year ended March 31, 2022.

33. Related party transactions

List of related parties with whom the Group had transactions during the year:

Name of related parties	Nature of relationship
Key management personnel	
Kiran Mazumdar-Shaw	Executive Chairperson
Siddharth Mittal	Managing Director & CEO
Indranil Sen	Chief Financial Officer (w.e.f April 28, 2021)
Anupam Jindal	Chief Financial Officer (Upto April 28, 2021)
Mayank Verma	Company Secretary
Daniel Mark Bradbury	Independent director (Upto July 27, 2022)
Mary Harney	Independent director (Upto July 27, 2022)
Vijay Kumar Kuchroo	Independent director
Meleveetil Damodaran	Independent director
Bobby Kanubhai Parikh	Independent director
Ravi Rasendra Mazumdar	Non-executive director
Eric Vivek Mazumdar	Non-executive director (w.e.f November 01, 2021)
John Shaw	Non-executive director (upto July 23, 2021)
Naina Lal Kidwai	Independent director (w.e.f April 28, 2022)
Peter John Bains	Independent director (w.e.f December 12, 2022)
Associate	
Bicara Therapeutics Inc.	Associate
Joint Ventures	
NeoBiocon FZ LLC	Joint-venture
Other related parties	
Mylan Inc. (w.e.f November 29, 2022)	Investor which has significant influence over a subsidiary
Biocon Foundation	Trust in which key management personnel are the Board of Trustees
Immuneel Therapeutics Private Limited	Enterprise in which a director of the Company is a member of board of directors
Mazumdar Shaw Medical Foundation	Trust in which key management personnel are the Board of Trustees
Glentec International Limited	Enterprise owned by key management personnel
Catherine Rosenberg	Relative of a director
Claire Mazumdar	Relative of a director
Jeeves	Enterprise in which relative to a director of the Company is proprietor
Narayana Hrudayalaya Limited	Enterprise in which a director of the Company is a member of board of directors

The Group has the following related party transactions

Particulars	Transactions / Balances	March 31, 2023	March 31, 2022
Key management personnel	Salary and perquisites [refer note (a) & (b) below]	123	107
	Sitting fees and commission	78	76
	Outstanding as at the year end:		
	- Trade and other payables	4	21
Associate	Sale of services	630	593
	Cross charges towards facility and other expenses	19	117
	Interest income	-	15
	Loan given to associate	-	683
	Outstanding as at the year end:		
	- Trade and other receivables	631	1,255
	- Loan (excluding losses recognized by using equity method of Rs 12)	-	683
	- Allowance for expected credit loss	397	278
Joint Venture	Purchase of goods	167	364
	Sales promotion expenses	10	25
	Professional charges	-	1
	Expenses incurred on behalf of the related party	-	1
	Outstanding as at the year end:		
	- Trade and other payables	374	474
Other related parties	Sale of goods	53	78
	Sale of services	-*	2
	Salary and perquisites (includes sitting fees)	-	69
	Expense cross charge in relation to Transition Support Agreement ('TSA') [refer note 42(j)] ^	5,503	-
	Health services availed	3	5
	CSR Expenditure	166	121
	Other expenses	64	54
	Outstanding as at the year end:		
	- Trade and other receivables	22	24
	- Trade and other payables	553	3

* Amounts are not represented since the amounts are rounded off to Rupees million.
^ For closing receivables and payable balances arising from business combination, refer note 6(a) and note 16.

(a) The remuneration to key management personnel doesn't include the provisions made for gratuity and compensated absences amounting to Rs 4, as they are obtained on an actuarial basis for the Company as a whole.

(b) Share-based compensation expense allocable to key management personnel is Rs 75 (March 31, 2022 - Rs 65) which is not included in the remuneration disclosed above.

(c) The above disclosures include related parties as per Ind AS 24 on "Related Party Disclosures" and Companies Act, 2013.

(d) All transactions with these related parties are priced on an arms length basis and none of the balances are secured.

34. Contingent liabilities and commitments

(to the extent not provided for)

	March 31, 2023	March 31, 2022
(i) Contingent liabilities:		
Claims against the Company not acknowledged as debt	9,478	8,444
The above includes:		
(i) Direct taxation	8,249	7,215
(ii) Indirect taxation (includes matters pertaining to disputes on central excise, custom duty and service tax)	881	881
(iii) Other matters	348	348

In light of recent judgment of Honorable Supreme Court dated February 28, 2019 on the definition of "Basic Wages" under the Employees Provident Funds & Misc. Provisions Act, 1952 and based on Group's evaluation, there are significant uncertainties and numerous interpretative issues relating to the judgement and hence It is unclear as to whether the clarified definition of Basic Wages would be applicable prospectively or retrospectively. The amount of the obligation therefore cannot be measured with sufficient reliability for past periods and hence has currently been considered to be a contingent liability in one of its subsidiary.

The Group 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 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 Group 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 are not tenable and will not have any material adverse effect on the Group's financial position and results of operations.

(ii) Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	10,431	7,406

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35. Employee benefit plans

(i) The Group has a defined benefit gratuity plan as per the 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 primarily a funded plan and the Group makes contributions to a recognised fund in India.

The plan assets are maintained with HDFC Life Insurance Company Limited (HDFC Life) in respect of gratuity scheme for employees of the Group. The details of investments maintained by the HDFC Life are not available with the Group and not disclosed. The expected rate of return on plan assets is 7.3% p.a. (March 31, 2022: 5.7% - 6.4% p.a.). The Group actively monitors how the duration and expected yield of the investments are matching the expected outflows arising from the employee benefit obligations.

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. Actuarial valuations involve making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to these complexity involved in the valuation it is highly sensitive to the changes in these assumptions. All assumptions are reviewed at reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

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 Group's financial statements as at balance sheet date:

Particulars	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/liability
Balance as on April 01, 2022	**1,238**	**(7)**	**1,231**
Current service cost	163	-	163
Interest expense / (income)	74	-	74
Amount recognised in Statement of profit and loss	**237**	**-**	**237**
Remeasurements:			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
Actuarial (gain) / loss arising from:			
Demographic assumptions	(11)	-	(11)
Financial assumptions	(102)	-	(102)
Experience adjustment	75	-	75
Amount recognised in other comprehensive income	**(38)**	**-**	**(38)**
Employers contribution	-	-	-
Benefits paid	(129)	-	(129)
Balance as at March 31, 2023	**1,308**	**(7)**	**1,301**

Particulars	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/liability
Balance as on April 01, 2021	**1,229**	**(7)**	**1,222**
Current service cost	181	-	181
Interest expense / (income)	76	-	76
Amount recognised in Statement of profit and loss	**257**	**-**	**257**
Remeasurements:			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
Actuarial (gain) / loss arising from:			
Demographic assumptions	(44)	-	(44)
Financial assumptions	(56)	-	(56)
Experience adjustment	(3)	-	(3)
Amount recognised in other comprehensive income	**(103)**	**-**	**(103)**
Employers contribution	-	-	-
Benefits paid	(145)	-	(145)
Balance as at March 31, 2022	**1,238**	**(7)**	**1,231**

Particulars	March 31, 2023	March 31, 2022
Non-current	1,034	917
Current	267	314
	1,301	**1,231**

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35. Employee benefit plans (continued)

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

	March 31, 2023	March 31, 2022
Interest rate	7.3%	5.7% - 6.4%
Discount rate	7.3%	5.7% - 6.4%
Expected return on plan assets	7.3%	5.7% - 6.4%
Salary increase	8% - 10%	9% - 10%
Attrition rate	8% - 30%	8% - 30%
Retirement age - Years	58	58

Assumptions regarding future mortality experience are set in accordance with published statistics and mortality tables as per IALM (2012-14)

The weighted average duration of Group's defined benefit obligation was 6-9 years (March 31, 2022 - 6-9 years).

These defined benefit plans expose the Group to actuarial risks, such as longevity and interest rate risk.

(iii) Sensitivity analysis

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis does not recognise the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions are as below:

Particulars	March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% change)	(60)	67	(64)	72
Salary increase (1% change)	65	(60)	70	(63)
Attrition rate (1% change)	(9)	9	(14)	16

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 the cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

As of March 31, 2023 and March 31, 2022, the plan assets have been invested in insurer managed funds and the expected contribution to the fund during the year ending March 31, 2024, is approximately Rs 147 (March 31, 2023 - Rs 125).

Maturity profile of defined benefit obligation

Particulars	March 31, 2023	March 31, 2022
1st Following year	209	177
2nd Following year	163	131
3rd Following year	153	138
4th Following year	147	127
5th Following year	139	118
Years 6 to 10	759	507
Years 11 and above	448	674

(iv) Risk Exposure

These defined benefit plans typically expose the Group to actuarial risks as under:

a) Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

b) Interest rate risk: A decrease in bond interest rate will increase the plan liability.

c) Longevity risk: The present value of the defined plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy will increase the plan's liability.

d) Salary risk: Higher than expected increase in salary will increase the defined benefit obligation.

(v) Other Long term benefits

Present value of other long term benefits (i.e compensated absences) obligations at the end of the year :

Particulars	March 31, 2023	March 31, 2022
Compensated absences	935	855

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36. Financial instruments: Fair value and risk managements

A. Accounting classification and fair values

	Carrying amount					Fair value			
March 31, 2023	FVTPL	FVTOCI	Amortised Cost	FVTOE*	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Non-current investments	174	491	5,380	-	6,045	120	-	545	665
Derivative assets	-	2,158	-	-	2,158	-	2,158	-	2,158
Current investments	4,443	-	8,822	-	13,265	4,443	-	-	4,443
Trade receivables	-	-	35,732	-	35,732	-	-	-	-
Cash and cash equivalents	-	-	13,235	-	13,235	-	-	-	-
Other bank balances	-	-	10,766	-	10,766	-	-	-	-
Other financial assets^	8,993	-	3,158	-	12,151	-	-	8,993	8,993
	13,610	**2,649**	**77,093**	**-**	**93,352**	**4,563**	**2,158**	**9,538**	**16,259**
Financial liabilities									
Borrowings	10,922	-	1,66,785	-	1,77,707	-	-	10,922	10,922
Trade payables	-	-	39,831	-	39,831	-	-	-	-
Derivative liabilities	-	844	-	-	844	-	844	-	844
Other financial liabilities^	6,583	-	30,241	14,039	50,863	-	-	20,622	20,622
Lease liabilities	-	-	2,481	-	2,481	-	-	-	-
	17,505	**844**	**2,39,338**	**14,039**	**2,71,726**	**-**	**844**	**31,544**	**32,388**

	Carrying amount					Fair value			
March 31, 2022	FVTPL	FVTOCI	Amortised Cost	FVTOE*	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Non-current investments	145	848	2,629	-	3,622	585	-	408	993
Derivative assets	-	2,691	-	-	2,691	-	2,691	-	2,691
Current investments	2,518	-	9,659	-	12,177	2,518	-	-	2,518
Loan to associate	-	-	671		671	-	-	-	-
Trade receivables	-	-	20,582	-	20,582	-	-	-	-
Cash and cash equivalents	-	-	6,630	-	6,630	-	-	-	-
Other bank balances	-	-	10,845	-	10,845	-	-	-	-
Other financial assets	-	-	4,960	-	4,960	-	-	-	-
	2,663	**3,539**	**55,976**	**-**	**62,178**	**3,103**	**2,691**	**408**	**6,202**
Financial liabilities									
Borrowings	-	-	49,040	-	49,040	-	-	-	-
Trade payables	-	-	16,085	-	16,085	-	-	-	-
Derivative liabilities	-	260	-	-	260	-	260	-	260
Other financial liabilities	-	-	3,632	15,033	18,665	-	-	15,033	15,033
Lease liabilities	-	-	2,426	-	2,426	-	-	-	-
	-	**260**	**71,183**	**15,033**	**86,476**	**-**	**260**	**15,033**	**15,293**

*Refer note 16 for measurement of non current financial liabilities carried at fair value through other equity (FVTOE).
^ Refer note 42 for assets and liabilities arising from business combination

(a) The fair value of trade receivables, trade payables 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) There have been no transfers between level 1, 2 and 3 needs to be made.
(c) The Group enters into derivative financial instruments with various counterparties. Derivatives are valued using valuation techniques in consultation with market expert. The most frequently applied valuation technique include forward pricing, swap models and Black Scholes Merton Model (for options valuation), using present value calculations. The models incorporate various inputs including foreign exchange forward rates, interest rate curve and forward rates curve.

B. Measurement of fair values

Fair value of liquid investments are based on quoted price. Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place. Contingent consideration arising from business acquisition and Non-Convertible Debentures are valued based on option pricing models, as disclosed in note 36(C).

Sensitivity analysis

For the fair values of derivative contracts of foreign currencies, reasonably possible changes at the reporting date to one of the significant observable inputs, holding other inputs constant, would have the following effects in other comprehensive income (OCI).

	March 31, 2023 Impact on other components of equity		March 31, 2022 Impact on other components of equity	
Significant observable inputs	Increase	Decrease	Increase	Decrease
Spot rate of the foreign currency (1% movement)	(825)	730	(736)	779
Interest rates (100 bps movement)	202	(202)	182	(182)

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36. Financial instruments: Fair value and risk managements (continued)

C. Significant Unobservable inputs used in Level 3 Fair Values

As at March 31, 2023	Valuation Techniques	Significant unobservable inputs	Sensitivity of input to fair value measurement
a) Contingent consideration receivable (refer note 42)	Binomial Option Pricing Model - using risk free discount rate and growth rate.	a) Discount rate	A 1% increase in discount rate would have led to approximately Rs. 100 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 107 loss in Statement of Profit and loss.
		b) Volatility rate	A 5% increase in volatility rate would have led to approximately Rs. 467 loss in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 530 gain in Statement of Profit and loss.
b) Contingent consideration payable (refer note 42)	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. 265 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 268 loss in Statement of Profit and loss.
		b) Volatility rate	A 5% increase in volatility rate would have led to approximately Rs. 78 gain in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 365 loss in Statement of Profit and loss.
c) Non Convertible Debentures [refer note 14(I)]	Binomial Option Pricing Model - using risk free discount rate and growth rate.	a) Discount rate	A 1% increase in discount rate would have led to approximately Rs. 228 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 235 loss in Statement of Profit and loss.
		b) Volatility rate	A 5% increase in volatility rate would have led to approximately Rs. 35 gain in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 36 loss in Statement of Profit and loss.

D. Reconciliation of Level 3 fair values

	Non-current investments	Contingent consideration receivable	Contingent consideration payable	Non Convertible Debentures [refer note 14(I)]	Gross liability on written put options [refer note 16(a)(i)]
At April 01, 2021	**210**	-	-	-	15,033
Investment made in the current year	184	-	-	-	-
Gain/loss included in Statement of Profit and loss					
- Net change in fair value (unrealised)	14	-	-	-	-
Foreign currency translation adjustment		-	-	-	-
At March 31, 2022	**408**	-	-	-	**15,033**
Assumed in a business combination [refer note 42]	-	10,251	7,366	-	-
Investment made in the current year	29	-	-	-	-
Proceeds from Issue		-	-	10,700	-
- Net change in fair value loss (unrealised)	108	(1,323)	-	222	
- Net change in fair value gain (unrealised)	-	-	(783)	-	(994)
Derecognised on account of conversion to Equity shares	-	-	-	-	-
Foreign currency translation adjustment	-	65	-	-	-
At March 31, 2023	**545**	**8,993**	**6,583**	**10,922**	**14,039**

E. Financial risk management

The Group has exposure to the following risks arising from financial instruments:
- Credit risk
- Liquidity risk
- Market risk

(i) Risk management framework

The Group'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.

(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.

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36. Financial instruments: Fair value and risk managements (continued)

Customer credit risk is managed by each business unit subject to Group's established policy, procedures and control relating to customer credit risk management. The Audit and Risk Management Committee of the respective Company's has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, where available, and other publicly available financial information. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

The Group establishes an allowance for impairment that represents its estimate of expected credit loss in respect of trade and other receivables. The maximum exposure to credit risk at reporting date is primarily from trade receivables amounting to Rs. 48,518 (March 31, 2022: Rs. 20,582). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

Allowance for credit loss	March 31, 2023	March 31, 2022
Opening balance	363	123
Allowance for credit loss recognised / (reversed)	254	240
Closing balance	617	363

Refer note 11 for details of aging of trade receivables and allowance for credit losses.

Trade receivables including unbilled revenue from one individual customer is Rs. 3,583 (March 31, 2022 - Rs. 4,483) which is individually more than 10 percent of the Group's trade receivables including unbilled revenue.

Credit risk on cash and cash equivalent and derivatives is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies which are rated A1+ or AAA. Investments primarily include investment in liquid mutual fund units, bonds and non-convertible debentures.

(iii) Liquidity risk

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

The Group believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. In addition, the Group maintains lines of credit as stated in note 14 and note 19.

The following are the contractual maturities of financial liabilities and excluding interest payments. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay:

March 31, 2023

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Borrowings	24,802	9,441	1,43,464	-	1,77,707
Trade payables	39,831	-	-	-	39,831
Lease liabilities	447	305	893	2,626	4,271
Derivative liabilities	586	127	87	44	844
Other financial liabilities	4,668	46,171	24	-	50,863
Total	70,334	56,044	1,44,468	2,670	2,73,516

March 31, 2022

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Borrowings	9,055	1,424	37,224	1,337	49,040
Trade payables	16,085	-	-	-	16,085
Lease liabilities	261	250	815	3,019	4,345
Derivative liabilities	124	8	46	82	260
Other financial liabilities (including derivative liabilities)	3,632	-	15,033	-	18,665
Total	29,157	1,682	53,118	4,438	88,395

(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 Group operates internationally and a major portion of the business is transacted in several currencies and consequently, the Group is exposed to foreign exchange risk through operating and borrowing activities in foreign currency. The Group holds derivative instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates and foreign currency exposure.

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36. Financial instruments: Fair value and risk managements (continued)

The currency profile of financial assets and financial liabilities as at March 31, 2023 and March 31, 2022 are as below:

March 31, 2023	USD	EUR	Others	Total
Financial assets				
Investments	29	-	-	29
Trade receivables	22,487	6,106	3,218	31,811
Cash and cash equivalents	8,088	2,574	694	11,356
Other bank balances	26	-	-	26
Other financial assets	11,354	219	78	11,651
Financial liabilities				
Non- current borrowings (including current maturities)	(1,31,386)	-	-	(1,31,386)
Current borrowings	(8,342)	-	(287)	(8,629)
Trade payables	(17,021)	(7,988)	(3,959)	(28,968)
Other financial liabilities	(35,641)	(102)	(163)	(35,906)
Net financial assets / (liabilities)	**(1,50,406)**	**809**	**(419)**	**(1,50,016)**

March 31, 2022	USD	EUR	Others	Total
Financial assets				
Investments	102	-	-	102
Loans	683			683
Trade receivables	16,993	382	396	17,771
Cash and cash equivalents	3,891	203	510	4,604
Other bank balances	64	-	-	64
Other financial assets	4,230	-	26	4,256
Financial liabilities				
Non- current borrowings (including current maturities)	(34,575)	-	-	(34,575)
Current borrowings	(5,711)	-	-	(5,711)
Trade payables	(5,075)	(337)	(1,294)	(6,706)
Other financial liabilities	(945)	(131)	(118)	(1,194)
Net financial assets / (liabilities)	**(20,343)**	**117**	**(480)**	**(20,706)**

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, 2023	March 31, 2022	March 31, 2023	March 31, 2022
USD Sensitivity				
INR/USD - Increase by 1%	(283)	(154)	(2,329)	(939)
INR/USD - Decrease by 1%	283	154	2,234	982
EUR Sensitivity				
INR/EUR - Increase by 1%	8	1	8	1
INR/EUR - Decrease by 1%	(8)	(1)	(8)	(1)

Derivative financial instruments

The following table gives details in respect of outstanding foreign exchange forward and option contracts:

Particulars	March 31, 2023	March 31, 2022
	(in Million)	
Foreign exchange forward contracts to buy USD with maturity between 0-1 years	USD 116	USD 151
Foreign exchange forward contracts to sell USD with maturity between 0-8 years	USD 669	USD 643
European style option contracts with periodical maturity between 0-8 years	USD 289	USD 338
European style range forward contracts with periodical maturity between 1-2 years	USD 222	USD 119
Interest rate swaps used for hedging SOFR component in external commercial borrowings with maturity between 0-6 years	USD 200	USD 155

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36. Financial instruments: Fair value and risk managements (continued)

Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During the year ended March 31, 2023 and March 31, 2022 the Group's borrowings at variable rate were mainly denominated in USD.

(a) Interest rate risk exposure

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

Particulars	March 31, 2023	March 31, 2022
Variable rate borrowings	1,62,794	16,035
Fixed rate borrowings	14,913	33,005
Total borrowings	**1,77,707**	**49,040**

(b) Sensitivity

The Group policy is to maintain a optimum balance between fixed and variable rate borrowings using interest rate swaps to achieve this when necessary. The Group has taken Interest Rate Swaps againnst above borrowings to the extent of USD 200 million to hedge the interest rate exposure. The Group 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. 1,628 (March 31, 2022 : Rs. 160)

Net Investment hedges

A foreign currency exposure arises from the Group's net investment in its foreign subsidiaries that have a USD functional currency. The risk arises from the fluctuation in spot exchange rates between the USD and the INR, which causes the amount of the net investment to vary.

The hedged risk in the net investment hedge is the risk of a weakening USD against the INR that will result in a reduction in the carrying amount of the Group's net investment in its foreign subsidiaries.

During the current year, the Group designated a USD denominated loan as a hedging instrument to hedge its net invetsment in foreign operation of its foreign subsidiaries, which mitigates the foreign currency risk arising from the subsidiary's net assets.

To assess hedge effectiveness, the Group determines the economic relationship between the hedging instrument and the hedged item by comparing changes in the carrying amount of the debt that is attributable to a change in the spot rate with changes in the investment in the foreign operation due to movements in the spot rate (the offset method). The Group's policy is to hedge the net investment only to the extent of the debt principal.

	March 31, 2023					
	Nominal Amount	Assets	Liabilities	Balance sheet item where the hedging instrument in included	Change in value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss
Hedging Instrument						
Foreign exchange denominated debt (USD)	7,349	-	(7,349)	Borrowings	(605)	-
Hedged item						
USD net investment	7,349	7,349	-	Net investment	605	-

37: Capital management

The key objective of the Group's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Group focused on keeping strong total equity 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 Group.

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

The capital structure as of March 31, 2023 and 2022 was as follows:

Particulars	March 31, 2023	March 31, 2022
Total equity attributable to owners of the Company	1,78,669	84,325
As a percentage of total capital	**50%**	**63%**
Long-term borrowings	1,52,905	39,985
Short-term borrowings	24,802	9,055
Total borrowings	1,77,707	49,040
As a percentage of total capital	**50%**	**37%**
Total capital (Equity and Borrowings)	**3,56,376**	**1,33,365**

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BIOCON LIMITED BANGALORE

38. Tax expenses

(a) Amount recognised in Statement of profit and loss	March 31, 2023	March 31, 2022
Current tax	2,462	2,204
Deferred tax expense / (income) related to:		
MAT credit written off/ entitlement *	988	235
Origination and reversal of temporary differences	(909)	(324)
Tax expense for the year	**2,541**	**2,115**
(b) Reconciliation of effective tax rate		
Profit before tax	**8,971**	**9,831**
Tax at statutory income tax rate 25.17% (March 31, 2022- 34.94%)	2,258	3,435
Tax effects of amounts which are not deductible / (taxable) in calculating taxable income		
Difference in overseas/domestic tax rates	207	(402)
Exempt income and other deductions	(1,478)	(1,717)
Non-deductible expense	98	46
Tax losses on which no deferred tax has been recognised	402	(14)
MAT write off on account of adoption of new tax regime [refer note a below]	1,071	-
Gain on dilution of interest in associate	(546)	(104)
Share in loss/ (profit) of joint venture and associate	420	723
Others	108	148
Income tax expense	**2,541**	**2,115**

* Effective April 1, 2022, the parent company has decided to elect its option to adopt the new tax regime notified u/s 115BAA of the Income Tax Act, 1961. Consequently, the parent company has written off Minimum Alternate Tax (MAT) balance of Rs. 1,071 in the consolidated financial statements for the year ended March 31, 2023, which can no longer be carried forward. Further, the parent company has remeasured all existing deferred tax balances using the reduced income tax rates expected to be applied under the new regime.

(c) Tax losses		
Unused temporary differences for which no deferred tax asset has been recognised	1,775	2,261
Potential tax impact	534	705
Expiry date [Financial year]	2023-24 to 2028-29	2022-23 to 2028-29

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38. Tax expenses (continued)

(d) Recognised deferred tax assets and liabilities

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

For the year ended March 31, 2023	Opening balance	Impact of Business combination [note 42]	Recognised in profit or loss	Recognised in OCI	Exchange difference	Closing balance
Deferred tax liabilities						
Property, plant and equipment and intangible assets	2,648	-	1,021	-	102	3,771
Intangible assets acquired in business combination [refer note 42]	-	2,879	(27)	-	-	2,852
Goodwill	-	-	654			654
Derivative assets	359	-	-	(109)	-	250
Deferred consideration	-	478	(95)		2	385
Others	72	-	(72)	-	-	-
Gross deferred tax liabilities	**3,079**	**3,357**	**1,481**	**(109)**	**104**	**7,913**
Deferred tax assets						
Provision for employee benefits	544	-	(43)	24	-	525
Derivative liabilities	52	-	(127)	170	-	95
Allowance for doubtful debts	91	-	28	-	-	119
Other deductible expenses	93	-	87	-	-	180
MAT credit entitlement	3,714	-	(991)	-	-	2,723
Deferred revenue	54	-	39	-	-	93
Carry forward losses	-	-	2,603	-	-	2,603
Others	941	-	(193)	-	19	767
Gross deferred tax assets	**5,489**	**-**	**1,403**	**194**	**19**	**7,105**
	2,410	**(3,357)**	**(79)**	**303**	**(85)**	**(808)**

For the year ended March 31, 2022	Opening balance	Impact of Business combination	Recognised in profit or loss	Recognised in OCI	Exchange difference	Closing balance
Deferred tax liabilities						
Property, plant and equipment and intangible assets	2,033	-	580	-	35	2,648
Derivative assets	67	-	-	292	-	359
Others	114	-	24	(66)	-	72
Gross deferred tax liabilities	**2,214**	**-**	**604**	**226**	**35**	**3,079**
Deferred tax assets						
Provision for employee benefits	423	-	112	9	-	544
Derivative liabilities	156	-	71	(175)	-	52
Allowance for doubtful debts	20	-	71	-	-	91
Other deductible expenses	89	-	4	-	-	93
MAT credit entitlement	3,949	-	(235)	-	-	3,714
Deferred revenue	114	-	(54)	-	(6)	54
Others	217	-	724	-	-	941
Gross deferred tax assets	**4,968**	**-**	**693**	**(166)**	**(6)**	**5,489**
	2,754	**-**	**89**	**(392)**	**(41)**	**2,410**

Deferred tax balances	March 31, 2023	March 31, 2022
Deferred tax assets (net)	3,010	2,933
Deferred tax liabilities (net)	(3,818)	(523)
	(808)	**2,410**

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39. Interest in other entities

(a) Subsidiaries

The Group's subsidiaries as at March 31, 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held by the Group, and proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

No.	Name of entity	Country of incorporation	Ownership interest held by the Group		Ownership interest held by the non-controlling interest		Principal activities
			March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
			%	%	%	%	
1	Syngene International Limited	India	54.9	70.1	45.1	29.9	Contract research and manufacturing services
2	Biocon Pharma Limited	India	100.0	100.0	-	-	Biopharmaceutical manufacturing
3	Biocon Biologics Limited*	India	78.6	93.5	21.4	6.5	Biopharmaceutical manufacturing
4	Biocon Biosphere Limited	India	100.0	100.0	-	-	Biopharmaceutical manufacturing
5	Biofusion Therapeutics Limited	India	100.0	100.0	-	-	Research services
6	Biocon Academy	India	100.0	100.0	-	-	Not for profit organisation
7	Syngene Scientific Solutions Limited	India	54.9	-	45.1	-	CRAMS and clinical research services
8	Syngene Manufacturing Solutions Limited	India	54.9	-	45.1	-	Manufacture of enzyme products and medicinal goods
9	Biocon SA	Switzerland	100.0	100.0	-	-	Research and development
10	Biocon Sdn Bhd	Malaysia	78.6	93.5	21.4	6.5	Biopharmaceutical manufacturing and sale of biosimilar products
11	Biocon Biologics Healthcare Malaysia SDN. BHD	Malaysia	78.6	93.5	21.4	6.5	Sale of biopharmaceutical products
12	Biocon Biologics UK Limited	United Kingdom	78.6	93.5	21.4	6.5	Sale of biosimilar products
13	Biocon Pharma UK Limited	United Kingdom	100.0	100.0	-	-	Sale of pharmaceutical products
14	Biosimilars Newco Limited	United Kingdom	78.6	-	21.4	-	Sale of biopharmaceutical products
15	Biocon Biologics Inc.	United States	78.6	93.5	21.4	6.5	Business support and marketing for Biosimilar products
16	Biocon Pharma Inc.	United States	100.0	100.0	-	-	Sale of pharmaceutical products
17	Syngene USA Inc.	United States	54.9	70.1	45.1	29.9	Marketing and business development support services
18	Biocon Biologics do Brasil Ltda.	Brazil	78.6	93.5	21.4	6.5	Sale of biopharmaceutical products
19	Biocon Biologics FZ-LLC	Dubai	78.6	93.5	21.4	6.5	Sale of biopharmaceutical products
20	Biocon FZ LLC.	Dubai	100.0	100.0	-	-	Sale of pharmaceutical products
21	Biocon Pharma Ireland Limited	Ireland	100.0	100.0	-	-	Sale of pharmaceutical products
22	Biosimilars Collaborations Ireland Limited	Ireland	78.6	-	21.4	-	Sale of biopharmaceutical products
23	Biocon Pharma Malta Limited	Malta	100.0	100.0	-	-	Sale of pharmaceutical products
24	Biocon Pharma Malta I Limited	Malta	100.0	100.0	-	-	Sale of pharmaceutical products
25	Biocon Biologics Canada Inc.	Canada	78.6	-	21.4	-	Sale of biopharmaceutical products
26	Biocon Biologics Germany GmbH	Germany	78.6	-	21.4	-	Sale of biopharmaceutical products

* Also refer note 16

(b) Non-controlling interests

Below is the summarised consolidated financial information for Syngene International Limited and Biocon Biologics Limited that has non-controlling interests that is material to the Group as on March 31, 2023. The amounts disclosed for the subsidiary are before inter-company eliminations.

Syngene International Limited

Summarised balance sheet

Particulars	March 31, 2023	March 31, 2022
Non-current assets	34,057	33,579
Current assets	24,253	22,059
Total assets	**58,310**	**55,638**
Non-current liabilities	10,248	10,373
Current liabilities	11,882	12,289
Total liabilities	**22,130**	**22,662**
Net assets	36,180	32,976
Accumulated non-controlling interest	**16,737**	**10,263**

39. Interest in other entities (continued)

Summarised statement of profit and loss

Particulars	March 31, 2023	March 31, 2022
Revenue from operations	31,929	26,042
Profit for the year	4,644	3,958
Other comprehensive income	(972)	433
Total comprehensive income	**3,672**	**4,391**
Total comprehensive income allocated to non-controlling interests	1,353	1,313
Dividends (including dividend distribution tax) paid to non-controlling interests	(119)	-

Summarised statement of cash flows

Particulars	March 31, 2023	March 31, 2022
Cash flows generated from operating activities	8,235	5,806
Cash flows used in investing activities	(6,564)	(6,115)
Cash flows (used in) from financing activities	(3,425)	(313)
Net (decrease) in cash and cash equivalents	**(1,754)**	**(622)**

Biocon Biologics Limited

Summarised balance sheet

Particulars	March 31, 2023	March 31, 2022
Non-current assets	3,32,389	65,051
Current assets	69,259	31,900
Total assets	**4,01,648**	**96,951**
Non-current liabilities	1,71,985	43,680
Current liabilities	53,587	31,163
Total liabilities	**2,25,572**	**74,843**
Net assets	**1,76,076**	**22,108**
Accumulated non-controlling interest	**29,482**	**112**

Summarised statement of profit and loss

Particulars	March 31, 2023	March 31, 2022
Revenue from operations	55,838	34,643
Profit for the year	1,335	3,825
Other comprehensive income	1,537	959
Total comprehensive income	**2,872**	**4,784**
Total comprehensive income allocated to non-controlling interests	78	54

Summarised statement of cash flows

Particulars	March 31, 2023	March 31, 2022
Cash flows generated from operating activities	8,542	5,443
Cash flows used in investing activities	(1,63,123)	(4,884)
Cash flows (used in) / generated from financing activities	1,61,627	(1,183)
Net (decrease) / increase in cash and cash equivalents	**7,046**	**(624)**

(c) Interest in joint venture

The Group has only one joint venture in the name of NeoBiocon FZ LLC ("NeoBiocon") , incorporated in Dubai as at March 31, 2023 holding 49% (March 31, 2022: 49%) of the equity stake and accounted for using the equity method. NeoBiocon has share capital solely consisting of equity shares, which are held directly by ownership interest in the same proportion of voting rights held.

Summarised balance sheet of NeoBiocon is as follows:

Particulars	March 31, 2023	March 31, 2022
Non-current assets	2	3
Current assets	557	616
Total assets	**559**	**619**
Non-current liabilities	17	17
Current liabilities	148	167
Total liabilities	**165**	**184**
Net assets	**394**	**435**
Percentage ownership interest	**49%**	**49%**
Accumulated Group's share of net assets	**43**	**80**

Summarised statement of profit and loss of NeoBiocon

Particulars	March 31, 2023	March 31, 2022
Revenue from operations	166	367
Profit/(Loss) for the year	(75)	76
Total comprehensive income	(75)	76
Share of Profit/(loss) from joint venture	(37)	37

(d) Interest in associates

Particulars	March 31, 2023	March 31, 2022
IATRICa Inc. - 4,285,714 (March 31, 2021 - 4,285,714) Series A Preferred Stock at US$ 0.70 each, par value US $ 0.00001 each	131	131
Less: Provision for decline, other than temporary, in the value of non-current investments	(131)	(131)
Bicara Therapeutics Inc.: 1,070,000 (March 31, 2022 - 1,070,000) equity shares of USD 0.0001 each 49,990,144 (March 31, 2022 - 40,000,000) preference shares of USD 1 each [Refer note 44]	1,335	-
	1,335	-
Total investment in associate and joint venture (c+d)	**1,378**	**80**

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40. Segment Reporting

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker ("CODM") evaluates the Group's performance based on an analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

April 1, 2022 to March 31, 2023

Particulars	Generics	Biosimilars	Novels	Research	Unallocated/ Eliminations	Total
Revenues						
External revenue	24,559	55,599	192	31,392	-	1,11,742
Inter-segment revenue	1,808	239	-	537	(2,584)	-
Total revenues	**26,367**	**55,838**	**192**	**31,929**	**(2,584)**	**1,11,742**
Costs						
Segment costs	(24,116)	(40,034)	(417)	(22,058)	-	(86,625)
Inter-segment costs	(152)	(2,543)	-	(527)	3,222	-
Results						
Other income including interest	2,135	120	2,234	709	(1,439)	3,759
Operating profit						**28,876**
Depreciation / Amortisation	(1,485)	(6,382)	(23)	(3,665)	424	(11,131)
Finance costs	(68)	(2,969)	(35)	(452)	(666)	(4,190)
Share of profit/(loss) of joint venture and associate	(37)		(1,633)		-	(1,670)
Segment results	**2,644**	**4,030**	**318**	**5,936**	**(1,043)**	**11,885**
Exceptional items, net	-	-	-	-	(2,914)	(2,914)
Income taxes - Current and deferred	-	-	-	-	(2,541)	(2,541)
Non-controlling interests	-	-	-	-	(1,803)	(1,803)
Profit after taxes attributable to shareholders						**4,627**
Other Information						
Segment assets	58,526	4,01,589	1,896	58,310	107	5,20,428
Total assets						**5,20,428**
Segment liabilities	17,496	2,36,789	299	22,130	18,826	2,95,540
Total liabilities						**2,95,540**

April 1, 2021 to March 31, 2022

Particulars	Generics	Biosimilars	Novels	Research	Unallocated/ Eliminations	Total
Revenues						
External revenue	21,910	34,301	510	25,119	-	81,840
Inter-segment revenue	1,499	342	-	923	(2,764)	-
Total revenues	**23,409**	**34,643**	**510**	**26,042**	**(2,764)**	**81,840**
Costs						
Segment costs	(21,152)	(21,887)	(802)	(18,297)	-	(62,138)
Inter-segment costs	(278)	(2,567)	4	(333)	3,174	-
Results						
Other income including interest	1,985	(61)	293	1,077	(1,167)	2,127
Operating profit						**21,829**
Depreciation / Amortisation	(1,379)	(4,028)	(52)	(3,097)	414	(8,142)
Finance costs	(9)	(668)	(44)	(241)	286	(676)
Share of profit of joint venture and associate	38	-	(2,107)	-	-	(2,069)
Segment results	**2,614**	**5,432**	**(2,198)**	**5,151**	**(57)**	**10,942**
Exceptional items, net	-	-	-	-	(1,111)	(1,111)
Income taxes - Current and deferred	-	-	-	-	(2,115)	(2,115)
Non-controlling interests	-	-	-	-	(1,232)	(1,232)
Profit after taxes attributable to shareholders						**6,484**
Other Information						
Segment assets	52,849	96,951	2,279	55,638	(3,777)	2,03,940
Total assets						**2,03,940**
Segment liabilities	13,357	76,415	1,375	22,662	(4,569)	1,09,240
Total liabilities						**1,09,240**

40. Segment Reporting (continued)

Geographical segments

Revenue from operations	Year ended March 31, 2023	Year ended March 31, 2022
India	16,737	13,563
United States of America	41,430	29,946
Ireland	11,784	16,863
Rest of the world	41,791	21,468
Total	**1,11,742**	**81,840**

Non-current assets	March 31, 2023	March 31, 2022
India	75,701	76,956
Ireland	65,756	-
United Kingdom	2,02,690	6,547
Malaysia	27,547	24,717
Rest of the world	512	285
Total	**3,72,206**	**1,08,505**

Note: Non-current assets excludes financial instruments, income tax and deferred tax assets.

Significant clients

One customer group of Biosimilar segment individually accounted for Rs. 18,861 (March 31, 2022: Rs. 17,337) which is more than 10% of the total revenue of the Group.

Segment revenue and results

The expenses that are not directly attributable and that can not be allocated to a business segment on a reasonable basis are shown as unallocated corporate expenses. Further, the Group has classified interest on loans raised by the Parent company and its wholly owned subsidiary to fund the business acquisition as unallocable corporate expenses.

Segment assets and liabilities

Segment assets include all operating assets used by the business segment and consist principally of fixed assets and current assets. Segment liabilities comprise of liabilities which can be directly allocated against the respective segments. Assets and liabilities that have not been allocated between segments are shown as part of unallocated corporate assets and liabilities respectively.

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41. Additional information, as required under Schedule III of the Act, of enterprises consolidated as subsidiary/associates/joint venture

Name of Entity	Net assets as at March 31, 2023		Share in profit or loss for the year ended March 31, 2023		Share in other comprehensive income for the year ended March 31, 2023		Share in total comprehensive income for the year ended March 31, 2023	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Holding Company								
Biocon Limited	19%	1,09,160	89%	28,484	-1%	9	91%	28,493
Subsidiaries								
Indian								
Syngene International Limited	3%	19,452	9%	2,997	74%	(592)	8%	2,405
Syngene Scientific Solutions Limited	-	168	-	(41)	-	-	-	(41)
Syngene Manufacturing Solutions Limited	-	10	-	-	-	-	-	-
Biocon Pharma Limited	-	(661)	1%	452	6%	(46)	1%	406
Biocon Biologics Limited	25%	1,38,388	-14%	(4,530)	-1%	8	-15%	(4,523)
Biocon Biosphere Limited	-	295	-	(11)	-23%	188	1%	177
Biofusion Therapeutics Limited	-	270	1%	259	-	1	-	260
Biocon Academy	-	-	-	-	-	-	-	-
Foreign								
Biocon SA	1%	5,249	-	5	-	-	-	5
Biocon Sdn Bhd	-	(624)	6%	1,905	-	-	6%	1,905
Biocon Biologics UK Limited	17%	95,730	13%	4,190	-	-	13%	4,190
Biosimilars Newco Limited	17%	96,365	-10%	(3,237)	-	-	-10%	(3,237)
Biosimilars Collaboration Ireland Limited	9%	49,579	4%	1,258			4%	1,258
Biocon Biologics Canada Inc.	-	-	-	-	-	-	-	-
Biocon Biologics Germany GmbH	-	-	-	-	-	-	-	-
Biocon Pharma Inc.	-	1,964	-	28	-	-	-	28
Biocon FZ LLC.	-	98	-	12	-	-	-	12
Biocon Biologics Healthcare Malaysia SDN. BHD	-	(1)	-	(0)	-	-	-	(0)
Syngene USA Inc.	-	81	-	28	-	-	-	28
Biocon Pharma UK Limited	-	88	-	0	-	-	-	0
Biocon Pharma Ireland Limited	-	24	-	(3)	-	-	-	(3)
Biocon Biologics Inc.	-	57	-	14	-	-	-	14
Biocon Biologics do Brasil Ltda.	-	80	-	1	-	-	-	1
Biocon Biologics FZ-LLC	-	83	-	5	-	-	-	5
Biocon Pharma Malta Limited	-	(4)	-	(2)	-	-	-	(2)
Biocon Pharma Malta I Limited	-	0	-	-	-	-	-	-
Joint venture								
Foreign								
NeoBiocon FZ LLC.	-	43	-	(37)	-	-	-	(37)
Associates								
Foreign								
IATRICa Inc., USA	-	-	-	-	-	-	-	-
Bicara Therapeutics Inc.	-	1,335	-5%	(1,633)	-	-	-5%	(1,633)
Non-controlling interest	8%	46,219	6%	1,803	46%	(372)	5%	1,431
Gross Total	**100%**	**5,63,449**	**100%**	**31,946**	**101%**	**(804)**	**100%**	**31,141**
Adjustment arising on consolidation		(3,38,561)		(25,516)		1,570		(23,945)
Total		**2,24,888**		**6,430**		**766**		**7,196**

41. Additional information, as required under Schedule III of the Act, of enterprises consolidated as subsidiary/associates/joint venture (continued)

Name of Entity	Net assets as at March 31, 2022		Share in profit or loss for the year ended March 31, 2022		Share in other comprehensive income for the year ended March 31, 2022		Share in total comprehensive income for the year ended March 31, 2022	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Holding Company								
Biocon Limited	50%	80,929	14%	861	8%	80	13%	941
Subsidiaries								
Indian								
Syngene International Limited	14%	22,657	45%	2,775	29%	304	43%	3,078
Biocon Pharma Limited	-1%	(1,067)	17%	1,056	1%	9	15%	1,065
Biocon Biologics Limited	13%	21,094	13%	811	32%	335	16%	1,146
Biocon Biosphere Limited	-	117	-	(4)	12%	125	2%	121
Biofusion Therapeutics Limited	-	10	-	9	-	-	-	9
Biocon Academy	-	-	-	-	-	-	-	-
Foreign								
Biocon SA	3%	4,843	-	(1)	-	-	-	(1)
Biocon Sdn Bhd	-3%	(4,834)	-17%	(1,080)	5%	50	-14%	(1,031)
Biocon Biologics UK Limited	16%	26,840	41%	2,524	-	-	35%	2,524
Biosimilars Newco Limited	-	-	-	-	-	-	-	-
Biosimilars Collaboration Ireland Limited	-	-	-	-	-	-	-	-
Biocon Biologics Canada Inc.	-	-	-	-	-	-	-	-
Biocon Biologics Germany GmbH	-	-	-	-	-	-	-	-
Biocon Pharma Inc.	1%	1,794	3%	209	-	-	3%	209
Biocon FZ LLC.	-	80	-	2	-	-	-	2
Biocon Biologics Healthcare Malaysia SDN. BHD	-	(1)	-	(0)	-	-	-	(0)
Syngene USA Inc.	-	56	-	20	-	-	-	20
Biocon Pharma UK Limited	-	66	-	(0)	-	-	-	(0)
Biocon Pharma Ireland Limited	-	26	-	(1)	-	-	-	(1)
Biocon Biologics Inc.	-	(72)	-2%	(110)	-	-	-2%	(110)
Biocon Biologics do Brasil Ltda.	-	(16)	-1%	(49)	-	-	-	(49)
Biocon Biologics FZ-LLC	-	74	-	1	-	-	-	1
Biocon Pharma Malta Limited	-	(1)	-	(1)	-	-	-	(1)
Biocon Pharma Malta I Limited	-	-	-	-	-	-	-	-
Joint venture								
Foreign								
NeoBiocon FZ LLC.	-	80	1%	37	-	-	1%	37
Associates								
Foreign								
IATRICa Inc., USA	-	-	-	-	-	-	-	-
Bicara Therapeutics Inc.	-	-	-34%	(2,107)		-	-29%	(2,107)
Non-controlling interest	6%	10,375	20%	1,232	13%	135	19%	1,367
Gross Total	**100%**	**1,63,049**	**100%**	**6,183**	**100%**	**1,038**	**100%**	**7,219**
Adjustment arising on consolidation		(68,349)		1,533		64		1,599
Total		**94,700**		**7,716**		**1,102**		**8,818**

42 Business combination

a. On February 27, 2022, BBL entered into a definitive agreement with its collaboration partner Viatris Inc. to acquire Viatris' biosimilars business to create a fully integrated global biosimilars enterprise, at a total consideration of Rs. 247,255, including cash of Rs. 156,645 and Compulsorily Convertible Preference Shares ('CCPS') in BBL of Rs. 82,181. The said transaction obtained necessary regulatory and other approvals and the closing conditions were satisfied on November 29, 2022 pursuant to which, the BBL acquired control over the Viatris' biosimilar business through subsidiaries Biosimilars Newco Limited and Biosimilar Collaborations Ireland Limited. The Group has accounted for the transaction under Ind AS 103, "Business Combinations". The acquired business have been consolidated effective November 29, 2022, the consummation date.

The Group along with Viatris, the seller, is currently in the process of completing its determination of working capital balances taken over by BBL as part of the acquisition. Pending such determination and other adjustments as envisaged in the agreement, the Group has carried out a preliminary purchase price allocation between goodwill, intangible assets and other working capital balances taken over. These initial estimates will be finalized over the next few quarters not exceeding twelve-month period allowed under the accounting requirements.

Below are the details of purchase price allocation on provisional basis:

	Amount
Cash	1,56,645
0.001% Compulsorily Convertible Preference Shares (CCPS)	82,181
Equity shares *	-*
Deferred consideration payable	27,940
Contingent consideration receivable	(10,251)
Settlement of pre-existing relationship	(9,260)
Total Consideration	**2,47,255**
Assets acquired	
Trade receivables	16,097
Inventories	13,742
Other assets	253
Goodwill	1,59,831
Brands (refer note (g) below)	2,632
Licenses to the patents (refer note (g) below)	29,114
Product related Intangibles (refer note (g) below)	60,868
Liabilities assumed	
Trade Payables	(30,618)
Provision for sales return	(1,307)
Deferred tax liabilities	(3,357)
Total net assets acquired	**2,47,255**

*not disclosed above since the amounts is rounded off to Rupees million.

(a) CCPS were fair valued using Binomial Option Pricing Model at Rs. 82,181. Each CCPS shall be convertible into equity shares of BBL at any time at the option of the holder at a conversion rate of 1:1. BBL 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 post conversion is atleast USD 1,000 million. The issue of additional shares results in contingent consideration. The CCPS initial recognition has been bifurcated into on equity component of Rs. 74,815 (fixed to fixed conversion) and contingent consideration of Rs. 7,366.

(b) BBL has issued one equity share at fair value of Rs. 280.74 per share, based on the valuation report by the independent valuer.

(c) The Group has agreed for deferred consideration payable after 18-24 months from the acquisition date, fair valued at Rs. 27,940.

(d) Contingent consideration receivable amount will be due from Viatris Inc to the Group provided the value of CCPS at the time of conversion is USD 1,000 million. If the value of CCPS at the time of conversion is below USD 1,000 million, Viatris Inc will adjust shortfall against Contingent consideration receivable to the maximum cap of USD 250 million.

Considering that the amount of Contingent consideration receivable is dependent on the value of the CCPS at the time of conversion event, a Binomial Option Pricing Model has been applied to estimate the future equity value of BBL and Contingent consideration receivable is fair valued at Rs. 10,251.

(e) BBL and Viatris had entered into an arrangement, to collaborate to develop, manufacture and commercialize certain biosimilar products. In line with Ind AS 103, settlement of pre-existing relationship did not result in any gain or loss in statement of profit and loss since the transaction was at arm's length. Liability towards pre-existing relationship amounting to Rs. 9,260 has been de-recognised with a corresponding impact to Goodwill.

(f) The Goodwill of Rs. 159,831 consists largely of the synergies and economies of scale expected from the acquired business, together with the value of the workforce acquired. The Goodwill generated on acquisition of businesses amounting to Rs. 126,708 is deductible for tax purposes, while remaining portion is non-deductible for tax purposes.

(g) The valuation techniques used for measuring the fair value of material assets acquired were as follows:
Intangible assets - Relief from-royalty method and multi-period excess earnings method.
- The relief-from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as a result of the patents being owned.
- The multi-period excess earnings method considers the present value of net cash flows expected to be generated by the Intellectual Property rights, by excluding any cash flows related to contributory assets.

Inventory -
Market comparison technique: The fair value is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

(h) Acquisition related costs amounted to Rs. 2,374 and were excluded from the consideration transferred and were recognised as expense under "Exceptional items" in the Statement of profit and loss for the year ended 31 March 2023 [refer note 32].

(i) For the period November 29, 2022 till 31 March 2023, acquired business contributed revenue of Rs. 22,074, Profit before tax, interest, depreciation, amortisation and exceptional items of Rs. 4,007 and Profit before tax and exceptional items of Rs. 73 Mn to the Group's results. If the acquisition had occurred on 1 April 2022, management estimates that consolidated revenue would have been Rs. 155,890, consolidated Profit before tax, interest, depreciation, amortisation, associate loss pick up and exceptional items of Rs. 36,890 and consolidated Profit before tax and exceptional items for the year would have been Rs. 12,030. In determining these estimates, the management has annualised the revenue and profitability of the acquired business for the period November 29, 2022 till March 31, 2023.

(j) BBL has entered into Transition Support Agreement ('TSA') with Viatris Inc to provide commercial and other transition services to ensure continuity of customer service and smooth transition to the Group.

43 Goodwill

Goodwill arising upon business combination is not amortized but tested for impairment annually or more frequently if there is any indication that the cash generating unit to which goodwill is allocated is impaired.

Particulars	March 31, 2023	March 31, 2022
Gross Balance		
Opening Balance	-	-
Goodwill arising on business combination [refer note 42]	1,59,831	-
Other adjustments		
- Foreign currency translation adjustment	1,267	
Closing Balance	**1,61,098**	-

For the purposes of impairment assessment, the Group is considered as single Cash generating unit. The recoverable amounts of the above cash generating units have been assessed using a value-in-use model. Value-in-use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit. Initially, a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows. Key assumptions upon which the Company has based its determinations of value-in-use include:

a) Estimated cash flows for nine years, based on management's projections.
b) A terminal value arrived at by extrapolating the last forecasted year cash flows to perpetuity, using growth rate ranging from 1% to 3%. This long-term growth rate takes into consideration external macroeconomic sources of data. Such long-term growth rate considered does not exceed that of the relevant business and industry sector.
c) The post tax discount rate used is 14.37% based on the Company's weighted average cost of capital.

The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

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44. Other notes

Bicara Therapeutics Inc, (Bicara), U.S., is a clinical-stage biotechnology company developing dual-action biologics designed to spur a potent and durable immune response in the tumor microenvironment. Bicara is actively engaged in advancing a robust pipeline of first-in-class bifunctional antibodies being developed by a global team. The Group accounts for its investments in Bicara using the equity method as it has significant influence over the investee.

During the year ended March 31, 2023 and March 31, 2022, Bicara has raised additional fund from third parties resulting into dilution of interest held in associate. Accordingly, following the principles in Ind AS 28: Investments in Associates and Joint Ventures, the Group has recorded a dilution gain of Rs. 2,167 million for the year ended March 31, 2023. Similarly, Rs. 299 million was recorded as dilution gain for the year ended March 31, 2022. The same has been disclosed in other income in the consolidated financial statements.

45. 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 Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries).

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

46. Other statutory information

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

(ii) The Group does not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

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

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

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

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47. On April 28, 2022, the Board of Directors of the Company proposed a final dividend of 10% i.e. Rs. 0.50 per equity share of face value of Rs. 5/- each as on the record date for distribution of final dividend. The same has been approved by the shareholders in the Annual General Meeting of the Company held on July 28, 2022 and distributed to the shareholders of the Company during the current year.

On 27 April 2022, the Board of Directors of Syngene proposed a final dividend of 10% or Rs. 1 per equity share as on the record date for distribution of the final dividend (comprising of a regular dividend of 5% or Rs. 0.5 per equity share and an additional special dividend of 5% or Rs. 0.5 per equity share). The shareholders of Syngene approved the dividend in the Annual General Meeting held on 20 July 2022 and was subsequently paid.

48. Events after reporting period

a) On May 23, 2023, the Board of Directors of the Company has proposed a final dividend of 30% i.e. Rs 1.5 per equity share of face value of Rs. 5/- each as on the record date for distribution of final dividend. The proposed dividend is subject to approval of the shareholders in the ensuing Annual General Meeting of the Company. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

b) On 26 April 2023, the Board of Directors of Syngene International Limited recommended a final dividend of Rs. 1.25 per equity share of Rs. 10/- (comprising a regular dividend of Rs.0.5 per share and a special additional dividend of Rs. 0.75 per share to mark the 30th anniversary of the founding of the Company in November 1993). The proposed dividend is subject to the approval of the shareholders in the Annual General Meeting.

c) On January 03, 2022, the Board of Directors of the Biocon Biologics Limited ('BBL') had approved the scheme of Merger by Absorption ('the Scheme') of Covidshield Technologies Private Limited ("CTPL" or the Transferor company), a wholly owned subsidiary of Serum Institute Life Sciences Private Limited ("SILS"), with and into BBL (the Transferee company) with an appointed date of October 01, 2022. The Scheme was subject to the requisite statutory approvals including approval of National Company Law Tribunal ("NCLT").

Subsequent to March 31, 2023, BBL and SILS mutually determined to re-evaluate the merger and accordingly have agreed to withdraw from the said merger proposal.

As per our report of even date attached

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

Sampad Guha Thakurta
Partner
Membership No.: 060573

Bengaluru
May 23, 2023

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

Kiran Mazumdar-Shaw
Executive Chairperson
DIN: 00347229

Siddharth Mittal
Managing Director & CEO
DIN: 03230757

Indranil Sen
Chief Financial Officer

Mayank Verma
Company Secretary

Bengaluru
May 23, 2023

BIOCON LIMITED ★ BANGALORE ★

B S R & Co. LLP
Chartered Accountants

Embassy Golf Links Business Park
Pebble Beach, B Block, 3rd Floor
No. 13/2, off Intermediate Ring Road
Bengaluru - 560 071, India
Telephone: +91 80 4682 3000
Fax: +91 80 4682 3999

Independent Auditor's Report

To the Members of Biocon Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Biocon Limited (hereinafter referred to as the "Holding Company") its employee welfare trust and its subsidiaries (Holding Company, its employee welfare trusts and its subsidiaries together referred to as "the Group"), its associates and its joint venture, which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements/financial information of such subsidiaries and joint venture as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint venture as at 31 March 2024, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue	
See Note 2(l) and Note 21 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
Revenue from sale of goods is recognized when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control is usually transferred upon shipment, delivery to certain location, or upon receipt of goods by the customer, in accordance with the delivery and acceptance terms agreed with the customers and other terms generally recognised under internationally accepted commercial arrangements. The amount of revenue to be recognised is based on the consideration expected to be received in exchange for goods, excluding trade discounts, volume discounts, sales returns and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, goods and services tax etc., where applicable. During the current year, the Group's biosimilar business has entered into a significant out-licensing arrangements, sale of brand and consultancy services where given the terms of these arrangements, the accounting is complex and requires significant judgement being applied to determine if the initial non-refundable fee received should be recognised upfront or deferred over the future periods considering when other performance obligations, if any, are satisfied. With respect to out-licensing arrangements, the risk is to determine, whether all the identified performance obligations meet the criteria of being distinct and consequently its impact on timing and pattern of revenue recognition. A significant part of the Group's sales also consists of chargeback, rebates, returns, other adjustments and their related accruals (referred to as 'deductions'). Estimating the amounts to be accrued for chargebacks requires significant estimation and degree of subjectivity as management's model utilizes historical buying patterns of distributors/ whole-sellers/other customers, estimated end-user demand, estimated inventory levels in the distribution channel, contracted sales terms	Our audit procedures in relation to revenue recognition included the following: • Assessed the appropriateness of the Group's revenue recognition accounting policies and assessed compliance with the policies in terms of applicable accounting standards. • Tested the design and operating effectiveness of the Group's controls around revenue recognition and deductions, including general IT controls and key IT application controls. • Performed substantive testing (including year-end cut-off testing) by selecting samples of revenue transactions recorded during the year and verifying the underlying documents, which includes sales invoices/contracts and shipping documents including customer acknowledgement wherever applicable. • Assessed journal entries posted to revenue to identify unusual items not already covered by our audit testing. • Assessed the appropriateness of audit procedures performed by the component auditor on revenues for the entities audited by them. We read their reporting to us including procedures in compliance with the requirements of SA 600: Using the Work of Another Auditor, for the purpose of our audit of consolidated financial statements and reviewed the work of the component auditors. • For material out-licensing arrangements, sale of brands and consultancy services arrangements, we read the contract with the customer assessing the relevant clauses of the agreement to evaluate Management 's judgement and to determine the performance obligations agreed by the Company and assessed if they are distinct and / or they should be combined with other promises / performance obligations under the arrangement for revenue recognition. • Evaluated the timing of recognition of revenue from these arrangements proposed by the Group for compliance with Ind AS 115: Revenue from Contracts with Customers.

with customers, as well as other competitive factors. The Group has engaged specialists to assist them in determining the year-end accruals for chargeback, rebates, returns and other adjustments relating to the accruals in respect of its biosimilar business. The Group's revenue also includes revenue from contract research, development and manufacturing activities and has various contractual arrangements with customers which are entered into at various stages of research and development. The Group, in line with Ind AS 115 recognises revenue based on the contractual terms and performance obligations with customers. The Group, in certain instances, also has bill and hold arrangements that meet the criteria mentioned for such arrangements under Ind AS 115: Revenue from Contracts with Customers, wherein revenues are recognized prior to the physical transfer of the good on the basis of specific requests from the customers to hold back the delivery of goods at period end. Considering that revenue is one of the key performance indicators of the Group and there could be pressure to meet the expectation of the investor/other stakeholders and/or to meet the stipulated targets, there is a risk of overstatement of revenue and given the volume of chargebacks and the level of estimation uncertainty involved, auditing management's judgments required a high degree of auditor judgment and an increased efforts Accordingly, we have determined revenue to be a Key Audit Matter	• Obtained the computation for year-end accruals chargeback, rebates, returns and other adjustments relating to the accruals in respect of its biosimilar business which were determined by the specialists engaged by the Group in respect of its biosimilar business and tested the underlying assumptions used by reference to the Group's stated commercial policies, applicable contracts and historical product returns and other claims / allowance. • Performed test of details on the actual claims processed for whole-sellers during the year towards chargebacks, rebates, sales return and other allowances etc. to determine the accuracy of 'gross-to-net' sales adjustments. • Developed an independent expectation of the chargeback accrual and compared those to the recorded amounts. Further, we tested the accuracy and completeness of the underlying data used in developing our expectation. • Compared prior period chargeback accruals to chargeback credits subsequently issued to evaluate management's ability to accurately forecast chargeback activity. • Performed analytical procedures on 'gross-to-net' sales adjustments recognised during the year to identify any unusual variances / relationships, if any. • For each of the estimated accruals, tested the mathematical accuracy of the computation and verified the underlying data used for completeness and accuracy. • We have tested the specific requests from customers at the period end to evaluate transfer of control relating to the bill and hold arrangements. We evaluated the timing of recognition of revenue from these arrangements proposed by the Company for compliance with Ind AS 115: Revenue from Contracts with Customers. • Assessed the adequacy and appropriateness of the disclosures made in the financial statements.

Impairment of goodwill, intangible assets and intangible assets under development
See Note 2(e) and 43 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
One of the Group's subsidiaries had recorded goodwill, intangible assets and intangible assets under development of Rs. 163,460 million, Rs. 62,142 million and Rs.39,341 million respectively as at 31 March 2024. Most of these were recorded pursuant to the purchase price allocation in respect of the acquisition of Viatris's biosimilar business in the previous year. Further, in some cases, the products are yet to be launched or in their initial stages of commercialization and hence revenue and profitability are yet to reach its desired levels. Hence, there is a risk of impairment in the event the carrying amount of the CGU is lower than its recoverable value. These assets are subjected to impairment test as part of Cash Generating Units (CGU) which include goodwill. The annual impairment testing of goodwill, intangible assets and intangible assets under development within such CGU was considered to be a key audit matter due to the complexity of the accounting requirements and the significant judgement involved to estimate the recoverable amount. The recoverable amount of the CGU, which is the value in use has been derived from discounted forecast cash flow model. The discounted cash flow model involves a high degree of subjectivity, including key assumptions like the estimates of revenue growth, weighted-average cost of capital, expected market share, price erosion, expected regulatory approval and its consequential impact on the gross margin of the products sold. This assessment of discount rate and terminal growth rate requires specialized skills and knowledge. These significant assumptions are forward looking and could be affected by future economic and market conditions. Further, changes to these assumptions could have a significant impact on the recoverable amount of the CGUs and could lead to an impairment to the carrying value of these assets. Accordingly, we have determined this to be a key audit matter.	Our audit procedures in relation to impairment testing includes the following: • Tested the design and operating effectiveness of the Subsidiary's controls around the impairment testing which included review of significant assumptions such as estimated revenue, inputs given to the Company's specialist and validating the outputs shared by the Specialist. • Evaluated all the assumptions used by the Subsidiary in assessing the recoverability of assets and involved valuation specialists to assist us in evaluating the valuation methodologies as mentioned above. • Evaluated the Subsidiary's assessment of key inputs by considering third party sources and the impact on future cash inflows due to actions by competitors or changes in relevant market conditions; We corroborated the revenue projections with the board approved plan and the reasonableness of the revenue growth factored in the projections. • Performed the sensitivity analysis in respect of certain key assumptions to evaluate the impact of change on recoverable value. • Tested the adequacy of disclosures made in consolidated financial statements, as required by Ind AS 36 Impairment of assets.

Going concern

See Note 1.2 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
As at 31 March 2024, Biocon Biologics and its subsidiaries (BBL Group) have financial liabilities of Rs. 238,815 million including deferred consideration in respect to the business acquisition made in the previous year (Refer note 42). In respect of certain borrowings, during the year, BBL Group has entered into amendments to the Facility arrangement with its lenders to provide relief with certain financial covenants by including Equity Support Undertaking given by Biocon Limited which has been approved by the shareholders of Biocon Limited ("the Company") on 22 April 2024. In respect of agreements entered into by the Company with certain financial investors for acquisition of biosimilar business, there are put option obligations on the Company to provide exit to the investors. The Company also has certain long-term borrowings that carry drag along rights which require the Company to repay the debts if the put options, as mentioned above, are triggered. As at 31 March 2024, these contractual agreements indicate possible obligations as described in note 1.2 to the financial statements. The Group has performed an assessment of its financial position as at March 31, 2024 and the forecasts for a period of fifteen months from the date of these financial statements. BBL has obtained relief of covenant compliance under the facility agreement providing an equity support undertaking from Biocon Limited (refer note 14(e) and 14(n)). In addition, Group considered projected cash flows, re-financing of existing borrowings, liquidity from non-current assets, and re-negotiating the exit terms with financial investors. These factors involve subjectivity that some of these are driven by external environment and hence outcomes could be different from those factored by the Group. Considering significance of the issue it is considered as a Key Audit Matter.	Our audit procedures to assess the going concern assumption included the following: • Obtained the forecasted statement of profit and loss and cashflows prepared by the Management for the next 15 months. • Gained an understanding and assessed the design, implementation and operating effectiveness of Company and subsidiary's key internal controls over preparation of cash flow forecasts to assess its liquidity. • Compared the forecasted statement of profit and loss and cash flows with the business plan approved by the board of directors; evaluated the key assumptions in the cash flow forecasts with reference to historical information, current performance, future plans, and market and other external available information. • Performed sensitivity analysis on the forecasted statement of profit and loss and cash flows by considering plausible changes to the key assumptions. • Reviewed the amendments to the facility agreement and share purchase agreement with Viatris. • Discussed with Audit Committee and key senior management personnel regarding the Company's plan to meet the obligations. • Assessed the adequacy of the disclosures – refer note 1.2 to the financial statements

Financial instruments	
See Note 42 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
In relation to the acquisition of biosimilars business of Viatris Inc. in the financial year ended 31 March 2023, the Group had recorded a purchase consideration paid/payable including the contingent consideration (both liability and asset) which were recorded using a fair valuation model on the acquisition date. Valuation of these contingent consideration involve application of complex option pricing models which involved a high degree of subjectivity, including key assumptions such as probability of various outcomes related to the instruments regarding factors that are contractually agreed with the counterparties. As of 31 March 2024, the Group had Rs. 7,426 million in derivative liabilities and Rs. 750 million in derivative assets arising on account of contingent consideration, which represented a 'Level 3' fair value measurement in the fair value hierarchy due to the significant unobservable inputs used in determining the fair value and the use of management judgment about the assumptions market participants would use in pricing the financial instruments. The Group engaged third party valuation experts (management's expert) to assist in determining the fair value of the financial instruments as described above. The valuation of derivative liabilities and assets are complex and requires significant judgment due to the use of complex option pricing models and the high degree of subjectivity in evaluating certain assumptions required to estimate the fair value of derivative liabilities and assets. Accordingly, we have determined this also to be a Key Audit Matter.	We have performed the following audit procedures in relation to the financial instruments: • Read the underlying agreements for these financial instruments to understand the terms of these instruments. • Tested the design and operating effectiveness of the Group's control around the valuation of these financial instruments. • Involved valuation experts (auditors' expert) to assist in the review of the valuation reports of the Group's valuation experts to assess the fair value of the instruments who assessed the option pricing model used for valuing the financial instruments and testing the key contractual inputs and significant assumptions and reasonableness on derivative components. • Considered the appropriateness of the disclosures made in the financial statements in relation to the financial instruments.

Taxation	
See Note 2(n), 34 and 38 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Group operates across different tax	We performed the following audit procedures:

jurisdictions around the world and is subject to complexities with respect to various tax positions on matters such as: - deductibility of transactions - recoverability of deferred tax asset for a subsidiary - Uncertainty in a tax position may arise as tax laws are subject to interpretation. Judgment is required in assessing the range of possible outcomes for some of these tax matters. These judgments could change over time as each of the matter progresses depending on experience on actual assessment proceedings by tax authorities and other judicial precedents. The Group makes an assessment (including obtaining opinion from external legal experts) to determine the outcome of these uncertain tax positions and decides to make an accrual or consider it to be a possible contingent liability. Where the amount of tax liabilities are uncertain, the Group recognizes accruals which reflect its best estimate of the outcome based on the facts known in the relevant jurisdiction. Considering the above, this was determined to be a Key Audit Matter for the engagement team during the audit for the year ended 31 March 2024.	• Tested the design and operating effectiveness of the Group's controls around the tax computation and tax matters; • Obtained an understanding of the key uncertain tax positions based on list of ongoing litigations and tax computations for the current year; • Assessed the implications of correspondence received by the Company from the relevant tax authorities to identify any additional uncertain tax positions; • Assessed the Group's judgment regarding the eventual resolution of matters with various tax authorities. In this regard, we understood how the Group has considered past experience, where available, with the tax authorities in the respective jurisdictions; • Examined external tax counsel opinions and consultations obtained by the Group for key matters during current and past periods, as relevant; and • Involved tax specialists to assist us in evaluating the technical merits of tax position to form a judgement and the key assumptions made by the Group in tax computations and assessing the adequacy of the Group's disclosures in respect of contingent liabilities and provision for tax matters.

Information Other than Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the Management reports such as Board Report, Management Discussion and Analysis, Corporate Governance Report and Business Responsibility Report,, but does not include the financial statements and auditor's report thereon, which we obtained prior to the date of this auditor's report, and the remaining sections of the Annual Report, which are expected to be made available to us after that date.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other sections of Annual Report (other than those mentioned above), if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

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

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

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

The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for overseeing the financial reporting process of each company.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its associates and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a We did not audit the financial statements of one subsidiary, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 37,776 million as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 14,555 million and net cash inflows (before consolidation adjustments) amounting to Rs. 88 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (and other comprehensive income) of Rs. 77 million for the year ended 31 March 2024, in respect of a joint venture, whose financial statements has not been audited by us. These financial statements have been audited by other auditors whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and joint venture is based solely on the of the reports of the other auditors.

We did not audit certain financial information of two subsidiaries, which reflect assets (before consolidation adjustments) of Rs. 4,107 million as at 31 March 2024, revenues (before consolidation adjustments) of Rs. 35,461 million and expenses (before consolidation adjustments) of Rs. 29,196 million for the year ended on that date, as considered in the consolidated financial statements. These elements of financial information have been audited by other auditors whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so

far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the of the reports of the other auditor.

b These subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements/financial information of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements/financial information of such subsidiaries and joint venture as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

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

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books 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 consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

e. On the basis of the written representations received from the directors of the Holding Company as on 01 April 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the

operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, joint venture, as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group, its associates and joint venture. Refer Note 34 to the consolidated financial statements.

b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 36 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint venture.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2024.

d (i) The respective management has represented to us that, to the best of its knowledge and belief, other than as disclosed in the Note 45 and 14(I) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies, associate companies and joint venture companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies, associate companies and joint venture companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management has represented to us that, to the best of its knowledge and belief, other than as disclosed in the Note 45 and 14(I) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies, associate companies and joint venture companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies, associate companies and joint venture companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Holding Company and its subsidiary company incorporated in India during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 48 to the consolidated financial statements, the respective Board of Directors of the Holding Company and its subsidiary company incorporated in India have proposed final dividend for the year which is subject to the approval of the respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, except for the instances mentioned below, the Holding Company and its subsidiary companies which are companies incorporated in India

whose financial statements have been audited under the Act, have used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares: (i) In respect of the Holding Company and its six subsidiary companies, the feature of recording audit trail (edit log) facility was not enabled (a) at the database level to log any direct data changes; (b) at the application level for certain fields / tables relating to all the significant processes and (c) for certain changes at the application level which were performed by users having privileged access rights for the accounting software used for maintaining general ledger. (ii) In respect of the Holding Company and its one subsidiary company, the feature of recording audit trail (edit log) facility was not enabled (a) at the database level to log any direct data changes and (b) for certain changes at the application level which were performed by users having privileged access rights for the accounting software used for maintaining the books of account relating to consolidation.

Further, where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of audit trail feature being tampered with.

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 explanation given to us the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies are 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

Sudhir Soni

Partner

Membership No.: 041870

ICAI UDIN:24041870BKGDKV8994

Place: Bengaluru

Date: 16 May 2024

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Biocon Limited for the year ended 31 March 2024

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

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

Sr. No.	Name of the entities	CIN	Holding Company/Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Syngene Scientific Solutions Limited	U73200KA2022PLC164804	Subsidiary	3 (ix)(d),(xvii)
2	Syngene Manufacturing Solutions Limited	U24290KA2022PLC165409	Subsidiary	3(xvii)
3	Biocon Biologics Limited	24119KA2016FLC093936	Subsidiary	3(ix)(d), (xvii)
4	Biocon Biosphere Limited	U24304KA2019PLC130965	Subsidiary	3(xvii)

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

Sudhir Soni
Partner
Membership No.: 041870
ICAI UDIN:24041870BKGDKV8994

Place: Bengaluru
Date: 16 May 2024

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Biocon Limited for the year ended 31 March 2024

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of Biocon Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Biocon Limited for the year ended 31 March 2024 *(Continued)*

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

Sudhir Soni

Partner

Membership No.: 041870

ICAI UDIN:24041870BKGDKV8994

Place: Bengaluru

Date: 16 May 2024

BIOCON LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

	Note	March 31, 2024	March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	74,181	72,769
Capital work-in-progress	3	39,852	25,875
Right-of-use assets	4 (b)	5,745	2,582
Goodwill	4 (a)	1,63,724	1,61,362
Other intangible assets	4 (a)	62,786	57,964
Intangible assets under development	4 (a)	40,081	47,295
Investment in associates and a joint venture	39 (d)	-	1,378
Financial assets			
(i) Investments	5	6,841	6,045
(ii) Derivative assets		2,657	1,454
(iii) Other financial assets	6	1,466	10,830
Deferred tax assets (net)	7	3,173	3,010
Income-tax assets (net)		4,129	3,543
Other non-current assets	8(a)	4,280	2,981
Total non-current assets		**4,08,915**	**3,97,088**
Current assets			
Inventories	9	49,439	42,437
Financial assets			
(i) Investments	10	3,156	13,265
(ii) Trade receivables	11	62,306	35,732
(iii) Cash and cash equivalents	12	12,336	13,235
(iv) Bank balances other than (iii) above	12	10,251	10,766
(v) Derivative assets		1,384	704
(vii) Other financial assets	6	5,769	1,321
Other current assets	8(b)	7,151	5,880
Total current assets		**1,51,792**	**1,23,340**
TOTAL		**5,60,707**	**5,20,428**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13(a)	6,003	6,003
Other equity	13(b)	1,91,834	1,72,666
Equity attributable to owners of the Company		**1,97,837**	**1,78,669**
Non-controlling interests	13(b)	54,911	46,219
Total equity		**2,52,748**	**2,24,888**
Non-current liabilities			
Financial liabilities			
(i) Borrowings	14	1,29,324	1,52,905
(ii) Lease liabilities	15	4,924	2,091
(iii) Derivative liabilities		-	258
(iv) Other financial liabilities	16(a)	10,725	46,195
Provisions	17(a)	2,376	2,265
Deferred tax liabilities (net)	7	3,915	3,818
Other non-current liabilities	18(a)	3,107	2,901
Total non-current liabilities		**1,54,371**	**2,10,433**
Current liabilities			
Financial liabilities			
(i) Borrowings	19	27,972	24,802
(ii) Lease liabilities	15	547	390
(iii) Trade payables	20		
-total outstanding dues of micro enterprises and small enterprises; and		958	1,491
-total outstanding dues of creditors other than micro enterprises and small enterprises		61,762	36,929
(iv) Derivative liabilities		12	586
(v) Other financial liabilities	16(b)	50,005	6,079
Other current liabilities	18(b)	7,768	11,094
Provisions	17(b)	1,795	1,486
Current tax liabilities, net		2,769	2,250
Total current liabilities		**1,53,588**	**85,107**
TOTAL		**5,60,707**	**5,20,428**

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

As per our report of even date attached

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

Sudhir Soni
Partner
Membership No.: 041870

Bengaluru
May 16, 2024

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

Kiran Mazumdar-Shaw
Executive Chairperson
DIN: 00347229

Siddharth Mittal
Managing Director & CEO
DIN: 03230757

Mayank Verma
Company Secretary

Bengaluru
May 16, 2024

BIOCON LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

	Note	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Revenue from operations	21	1,47,557	1,11,742
Other income	22	8,655	3,759
Total income (I)		**1,56,212**	**1,15,501**
Expenses			
Cost of materials consumed	23	50,719	31,911
Purchases of stock-in-trade		6,827	6,261
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(8,567)	(1,541)
Employee benefits expense	25	26,641	21,810
Finance costs	26	9,744	4,190
Depreciation and amortisation expense	27	15,688	11,131
Other expenses	28	39,788	32,106
		1,40,840	**1,05,868**
Less: Recovery of cost from co-development partners (net)		(838)	(3,922)
Total expenses (II)		**1,40,002**	**1,01,946**
Profit before tax, share of profit/(loss) of joint venture and associates and exceptional items (I-II)		**16,210**	**13,555**
Share of loss of joint venture and associates, net		(842)	(1,670)
Profit before tax and exceptional items		**15,368**	**11,885**
Exceptional items, net	32	(116)	(2,914)
Profit before tax		**15,252**	**8,971**
Tax expense			
Current tax	38	3,143	2,462
Deferred tax (credit) / charge			
MAT credit written off/ utilisation (net of entitlements) [refer note 38]		(774)	988
Other deferred tax		(95)	(909)
Total tax expense		**2,274**	**2,541**
Profit for the year		**12,978**	**6,430**
Other comprehensive income (OCI)			
(i) Items that will not be reclassified subsequently to profit or loss			
Re-measurement on defined benefit plans		(81)	38
Equity instruments through OCI		217	(460)
Income tax effect		30	24
		166	**(398)**
(ii) Items that may be reclassified subsequently to profit or loss			
Effective portion of gains/ (losses) on hedging instrument in cash flow hedges		2,887	(1,090)
Exchange difference on translation of foreign operations, including effective portion of net investment hedges		1,509	1,975
Income tax effect		(695)	279
		3,701	**1,164**
Other comprehensive income for the year, net of taxes		**3,867**	**766**
Total comprehensive income for the year		**16,845**	**7,196**
Profit attributable to:			
Shareholders of the Company		10,225	4,627
Non-controlling interests		2,753	1,803
Profit for the year		**12,978**	**6,430**
Other comprehensive income attributable to:			
Shareholders of the Company		2,688	1,138
Non-controlling interests		1,179	(372)
Other comprehensive income for the year		**3,867**	**766**
Total comprehensive income attributable to:			
Shareholders of the Company		12,913	5,765
Non-controlling interests		3,932	1,431
Total comprehensive income for the year		**16,845**	**7,196**
Earnings per equity share	31		
Basic (in Rs.)		8.55	3.88
Diluted (in Rs.)		8.54	3.87

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

As per our report of even date attached

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

Sudhir Soni
Partner
Membership No.: 041870

Bengaluru
May 16, 2024

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

Kiran Mazumdar-Shaw
Executive Chairperson
DIN: 00347229

Siddharth Mittal
Managing Director & CEO
DIN: 03230757

Mayank Verma
Company Secretary

Bengaluru
May 16, 2024

BIOCON LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

(A) Equity share capital	March 31, 2024	March 31, 2023
Opening balance	6,003	6,003
Issued during the year	-	-
Closing balance	6,003	6,003

(B) Other equity

Particulars	Attributable to owners of the Company															
	Reserves and surplus										Items of other comprehensive income			Total other equity	Non-controlling interests ('NCI')	Total
	Securities premium	Revaluation reserve	Debenture redemption reserve	Capital redemption reserve	Capital reserve	General reserve	Retained earnings	SEZ Re-investment reserve	Share based payment reserve	Treasury shares	Foreign currency translation reserve	Cash flow hedging reserves	Other items of other comprehensive income*			
Balance at April 01, 2022	**1,192**	**9**	**1,363**	**1,292**	**801**	**1,617**	**68,273**	**-**	**2,041**	**(324)**	**2,732**	**579**	**(1,253)**	**78,322**	**10,375**	**88,697**
Profit for the year	-	-	-	-	-	-	4,627	-	-	-	-	-	-	4,627	1,803	6,430
Other comprehensive income, net of tax	-	-	-	-	-	-	-	-	-	-	1,975	(420)	(417)	1,138	(372)	766
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**4,627**	**-**	**-**	**-**	**1,975**	**(420)**	**(417)**	**5,765**	**1,431**	**7,196**
Transfer to Special Economic Zone ('SEZ') re-investment reserve	-	-	-	-	-	-	(1,100)	1,100	-	-	-	-	-	-	-	-
Transfer from SEZ re-investment reserve on utilisation	-	-	-	-	-	-	1,100	(1,100)	-	-	-	-	-	-	-	-
Transactions with Owners directly recorded in equity:																
Share based payment	-	-	-	-	-	-	-	-	1,415	-	-	-	-	1,415	-	1,415
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	(647)	-	-	-	(647)	-	(647)
Change in fair value of gross liability on written put options	-	-	-	-	-	-	995	-	-	-	-	-	-	995	-	995
Gain on sale of shares in a subsidiary	-	-	-	-	-	-	29,278	-	-	-	-	23	2	29,303	5,180	34,483
Issue of shares by a subsidiary	-	-	-	-	-	-	57,897	-	-	-	-	-	-	57,897	29,291	87,188
NCI impact on a common control transaction	-	-	-	-	-	-	90	-	-	-	-	-	-	90	(90)	-
Dividend paid on equity shares (including to NCI)	-	-	-	-	-	-	(600)	-	-	-	-	-	-	(600)	(119)	(719)
Exercise of share options	543	-	-	-	-	-	299	-	(716)	-	-	-	-	126	151	277
Balance at March 31, 2023	**1,735**	**9**	**1,363**	**1,292**	**801**	**1,617**	**1,60,859**	**-**	**2,740**	**(971)**	**4,707**	**182**	**(1,668)**	**1,72,666**	**46,219**	**2,18,885**
Profit for the year	-	-	-	-	-	-	10,225	-	-	-	-	-	-	10,225	2,753	12,978
Other comprehensive income/ (loss), net of tax	-	-	-	-	-	-	-	-	-	-	1,509	983	196	2,688	1,179	3,867
Total comprehensive income/ (loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**10,225**	**-**	**-**	**-**	**1,509**	**983**	**196**	**12,913**	**3,932**	**16,845**
Transfer to Special Economic Zone ('SEZ') re-investment reserve	-	-	-	-	-	-	(650)	650	-	-	-	-	-	-	-	-
Transfer from SEZ re-investment reserve on utilisation	-	-	-	-	-	-	650	(650)	-	-	-	-	-	-	-	-
Transactions with Owners directly recorded in equity:																
Share based payment	-	-	-	-	-	-	-	-	999	-	-	-	-	999	-	999
Net impact of lease transfer	-	-	-	-	-	261	-	-	-	-	-	-	-	261	-	261
Change in fair value of gross liability on written put options	-	-	-	-	-	-	(989)	-	-	-	-	-	-	(989)	-	(989)
Acquisition of business [refer note 42B]	-	-	-	-	39	-	-	-	-	-	-	-	-	39	-	39
Issue of shares by a subsidiary	-	-	-	-	-	-	7,399	-	-	-	-	-	-	7,399	5,001	12,400
Dividend paid on equity shares (including to NCI)	-	-	-	-	-	-	(1,801)	-	-	-	-	-	-	(1,801)	(226)	(2,027)
Exercise of share options	550	-	-	-	-	-	335	-	(538)	-	-	-	-	347	(15)	332
Balance at March 31, 2024	**2,285**	**9**	**1,363**	**1,292**	**840**	**1,878**	**1,76,028**	**-**	**3,201**	**(971)**	**6,216**	**1,165**	**(1,472)**	**1,91,834**	**54,911**	**2,46,745**

* Refer Note 35 for remeasurement gain/(loss) on defined benefit obligations.

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

As per our report of even date attached

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

Sudhir Soni
Partner
Membership No.: 041870

Bengaluru
May 16, 2024

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

Kiran Mazumdar-Shaw
Executive Chairperson
DIN: 00347229

Siddharth Mittal
Managing Director & CEO
DIN: 03230757

Mayank Verma
Company Secretary

Bengaluru
May 16, 2024

BIOCON LIMITED
STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

		March 31, 2024	March 31, 2023
I	**Cash flows from operating activities**		
	Profit for the year	**12,978**	**6,430**
	Adjustments to reconcile profit for the year to net cash flows		
	Depreciation and amortisation expense	15,688	11,131
	Tax expense	2,274	2,541
	Unrealised foreign exchange loss/ (gain)	(1,054)	971
	Share-based compensation expense	1,006	1,376
	Provision of doubtful debts, net	(182)	54
	Bad debts written off	11	10
	Interest expense	9,744	4,190
	Interest income	(1,613)	(1,124)
	Net loss/ (gain) on financial instruments measured at fair value through profit or loss	(1,015)	608
	Net gain on sale of current investments	(686)	(416)
	Loss on sale of property, plant and equipment (net)	12	52
	Gain on dilution of interest in a associate	(1,053)	(2,170)
	Gain on loss of significant influence [refer note 5(a)]	(4,254)	-
	Share of loss of joint venture/ associates	842	1,670
	Exceptional items, net	6,116	498
	Operating profit before changes in operating assets and liabilities	**38,814**	**25,821**
	Movement in operating assets and liabilities		
	Decrease / (Increase) in inventories	(8,864)	8,862
	Decrease / (Increase) in trade receivables	(24,174)	15,905
	Decrease/ (increase) in other assets	(2,679)	7,582
	Increase/ (decrease) in trade payables, other liabilities and provisions	29,365	(37,359)
	Cash generated from operations	**32,462**	**20,811**
	Income taxes paid (net of refunds)	(2,923)	(2,286)
	Net cash flow generated from operating activities	**29,539**	**18,525**
II	**Cash flows from investing activities**		
	Purchase of property, plant and equipment	(16,805)	(15,960)
	Purchase of intangible assets	(2,511)	(1,303)
	Proceeds from sale of property, plant and equipment	233	31
	Proceeds from sale of equity interest in a subsidiary	-	34,474
	Purchase of investments	(37,708)	(1,63,112)
	Consideration paid for business acquisition [refer note 42A & 42B]	(5,532)	(1,56,645)
	Proceeds from sale of current investments	39,682	1,61,515
	Investment in bank deposits and inter-corporate deposits	(15,632)	(24,031)
	Redemption/ maturity of bank deposits and inter-corporate deposits	26,782	20,980
	Interest received	1,446	1,233
	Net cash flow used in investing activities	**(10,045)**	**(1,42,818)**
III	**Cash flows from financing activities**		
	Purchase of treasury shares	-	(647)
	Proceeds from issuance of shares by subsidiary, net of expense	-	12,368
	Proceeds from exercise of share options	307	295
	Proceeds from non-current borrowings	5,718	1,09,399
	Repayment of non-current borrowings	(27,678)	(281)
	Proceeds from issuance of debentures	8,000	-
	Proceeds from current borrowings (net of repayments)	1,248	15,041
	Dividend paid on equity shares (including to NCI)	(2,030)	(718)
	Repayment of lease liabilities, net	(418)	(114)
	Interest paid	(8,474)	(4,856)
	Net cash flow generated from/ (used in) financing activities	**(23,327)**	**1,30,487**
IV	**Net increase/ (decrease) in cash and cash equivalents (I + II + III)**	**(3,833)**	**6,194**
V	Effect of exchange differences on cash and cash equivalents held in foreign currency	29	217
VI	Cash and cash equivalents at the beginning of the year	12,999	6,537
VIII	**Cash and cash equivalents at the end of the year (IV + V + VI + VII)**	**9,195**	**12,948**

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BIOCON LIMITED BANGALORE

BIOCON LIMITED
STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

	March 31, 2024	March 31, 2023
Reconciliation of cash and cash equivalents as per statement of cash flows		
Cash and cash equivalents [note 12]		
Balances with banks - on current accounts	11,636	12,872
- on unpaid dividend accounts*	2	3
Deposits with original maturity of less than 3 months	698	360
	12,336	**13,235**
Cash credits [note 19]	(3,141)	(287)
Balance as per statement of cash flows	**9,195**	**12,948**

*The Group can utilize these balances only towards settlement of the respective unpaid dividend liabilities.

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

	Opening balance April 1, 2023	Cash flows	Non-cash movement	Closing balance March 31, 2024
Non- current borrowings (including current maturities)	1,52,905	(21,960)	4,859	1,35,804
Current borrowings	24,515	1,248	(7,412)	18,351
Interest accrued but not due	202	(8,474)	8,448	176
Lease liabilities (including current)	2,481	(418)	3,408	5,471
Total liabilities from financing activities	**1,80,103**	**(29,604)**	**9,303**	**1,59,802**

	Opening balance April 1, 2022	Cash flows	Non -cash movement	Closing balance March 31, 2023
Non- current borrowings (including current maturities)	40,080	1,09,118	3,707	1,52,905
Current borrowings	8,867	15,041	607	24,515
Interest accrued but not due	140	(4,856)	4,918	202
Lease liabilities (including current)	2,426	(114)	169	2,481
Total liabilities from financing activities	**51,513**	**1,19,189**	**9,401**	**1,80,103**

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

As per our report of even date attached

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

Sudhir Soni
Partner
Membership No.: 041870

Bengaluru
May 16, 2024

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

Kiran Mazumdar-Shaw
Executive Chairperson
DIN: 00347229

Siddharth Mittal
Managing Director & CEO
DIN: 03230757

Mayank Verma
Company Secretary

Bengaluru
May 16, 2024

1. Company Overview

1.1 Reporting entity

Biocon Limited ("Biocon" or the "parent company" or "the Company"), together with its subsidiaries, joint venture and associates 4(collectively, the "Group") is engaged in the manufacture of biotechnology products and research services. The Company is a public limited company incorporated and domiciled in India and has its registered office in Biocon Campus, 20th KM, Hosur Road, Electronic City, Bengaluru – 560 100. The Company's shares are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) in India.

1.2 Basis of preparation of financial statements

a. *Statement of compliance*

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

These consolidated financial statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2024.

The Group has net current liability position of INR 1,796 million as at March 31, 2024. The Group has assessed its financial position as at March 31, 2024 and its forecasts for a period of fifteen months from the date of these financial statements. As part of this assessment, following factors are considered by the management:

(i) Deferred consideration payable under the acquisition agreement as described in Note 42;
(ii) Equity Support to BBL under the facility agreement as described in Note 14(e)
(iii) Put option obligation entered by the Group with certain financial investors to provide exit to the investors as described in note 16(b).

Management has assessed its ability to re-negotiate the exit terms with financial investors, raise funds from investors, re-finance its existing borrowings and support liquidity from its non current assets. Based on the above, management believes that the Group has sufficient financial resources available to it at the date of approval of these financial statements and has prepared its financial statements under going concern assumption

These consolidated financial statements are approved for issuance by the Company's Board of Directors on May 16, 2024.

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

b. *Functional and presentation currency*

These consolidated financial statements are presented in Indian rupees (INR), which is also the functional currency of the parent Company. All amounts have been rounded-off to the nearest million, unless otherwise indicated. In respect of subsidiaries and associates whose operations are self-contained and integrated, the functional currency has been determined to be the currency of the primary economic environment in which the entity operates.

c. *Basis of measurement*

These consolidated financial statements have been prepared on the historical cost basis (i.e. on accrual basis), except for the following items:

- Derivative Financial Instruments at fair value
- Certain financial assets and liabilities are measured at fair value;
- Net defined benefit assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations
- Contingent consideration assumed in a business combination at fair value
- Non-Convertible Debentures with variable coupon linked to equity shares of the subsidiary at fair value
- Non derivative financial instruments at Fair Value Through Profit and Loss (FVTPL)

d. *Use of estimates and judgements*

The preparation of the consolidated 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 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 financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

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Judgements

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

• Note 1.2(b)	— Assessment of functional currency;
• Note 2(c) and 36	— Financial instruments;
• Note 2(d), 2(e) and 3	— Useful lives of property, plant and equipment and other intangible assets
• Note 2(j) and 35	— measurement of defined benefit obligation; key actuarial assumptions;
• Note 30	— Share based payments;
• Note 2(n), 7 and 38	— Provision for income taxes and related tax contingencies and evaluation of recoverability of deferred tax assets
• Note 2(l) and 21	— Revenue Recognition: whether revenue from sale of product and licensing income is recognized over time or at a point in time;
• Note 16	— Liability on written put options;

e. ***Assumptions and estimation uncertainties***

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2024 is included in the following notes:

- Note 2(i) – impairment test of non-financial assets; key assumptions underlying recoverable amounts including the recoverability of expenditure on internally-generated intangible assets;
- Note 2(n), 7 and 38 – recognition of deferred tax assets: uncertain tax treatment;
- Note 2(l) and 21 - Revenue Recognition; estimate of expected returns, chargebacks, rebates and other allowances;
- Note 17 and 34– recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 2(j) and 35 – measurement of defined benefit obligations: key actuarial assumptions; and
- Note 36 – impairment of financial assets : underlying recoverable amount;
- Note 2(i) and 43 - impairment test of goodwill: key assumptions underlying recoverable amounts, including the recoverability of development costs; and
- Note 42 - acquisition of business: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis.

f. ***Measurement of fair values***

A number of the Group'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).

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group 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 Group 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 30 – Share-based payment arrangements
- Note 36 – Financial instruments
- Note 42 – Business Combination

2. Material accounting policies

a. *Basis of consolidation*

i. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the Group are consolidated on line-by-line basis. Intra-group transactions, balances and any unrealised gains arising from intra-group transactions, are eliminated. Unrealised losses are eliminated, but only to the extent that there is no evidence of impairment. All temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions are recognised as per Ind AS 12, *Income Taxes*.

For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

ii. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in statement of profit or loss.

iii. Associates and joint arrangements (equity accounted investees)

The Group's interests in equity accounted investees comprise interests in associates and a joint venture.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint venture are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income (OCI) of equity - accounted investees until the date on which significant influence or joint control ceases.

iv. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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b. Foreign currency

i. 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, except exchange differences arising from the translation of the qualifying cash flow hedges to the extent that the hedges are effective which are recognised in OCI.

ii. Foreign operations

The assets and liabilities of foreign operations (subsidiaries, associates, joint arrangements) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR 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.

Foreign currency translation differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

c. 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 Group 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.

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;
- Fair value through other comprehensive income – equity investment; or
- Fair value through profit and loss

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group 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
- 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 Group 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.

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Financial instruments (continued)

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 Group 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: Subsequent measurement and gains and losses

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 or loss. However, see Note 36 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 or loss. Any gain or loss on derecognition is recognised in statement of profit or 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 or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit or 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 profit or 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 or 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 or loss. Any gain or loss on derecognition is also recognised in statement of profit or loss.

iii. *De-recognition of financial instruments*

Financial assets

The Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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

Financial liabilities

The Group de-recognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also de-recognises 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 or loss.

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iv. ***Offsetting***

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

v. ***Derivative financial instruments and hedge accounting***

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

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

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

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

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is 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 profit or loss.

vi. ***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

vii. ***Treasury shares***

The Group has created an Employee Welfare Trust (EWT) for providing share-based payment to its employees. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. When the treasury shares are issued to the employees by EWT, the amount received is recognised as an increase in equity and the resultant gain / (loss) is transferred to / from securities premium.

viii. ***Cash and cash equivalents***

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of

cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

ix. ***Cash dividend to equity holders***

The Group 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 Group. 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.

d. 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 comprises its purchase price including import duty and non refundable taxes or levies, any other costs 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.

Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised.

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 or loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and cost can be measured reliably

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown 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 Group 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	Assets Classification	Management estimate of useful life	Useful life as per Schedule II
Building	Building	25-30 years	30 years
Roads	Building	5-12 years	5 years
Plant and equipment (including Electrical installation and Lab equipment)	Plant and Machinery	9-15 years	8-20 years
Computers and servers	Plant and Machinery	3 years	3-6 years
Office equipment	Plant and Machinery	3- 5 years	5 years
Research and development equipment	Research and development equipment	9 years	5-10 years
Furniture and fixtures	Furniture and fixtures	6 years	10 years
Vehicles	Vehicles	6 years	6-10 years
Leasehold improvements	Leasehold improvements	5 years or lease period whichever is lower	
Leasehold land	Land	90 years or lease period whichever is lower	

Property, plant and equipment (continued)

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.

e. Goodwill and other intangible assets

i. *Goodwill*

For measurement of goodwill that arises on a business combination. Subsequent measurement is at cost less any accumulated impairment losses.

ii. *Other intangible assets*

Internally generated: Research and development

Expenditure on research activities is recognised in statement of profit or 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 Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in statement of profit or 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 amortization and any accumulated impairment losses.

iii. *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 or loss as incurred.

iv. *Amortisation*

Goodwill is not amortised and is tested for impairment annually.

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

— Computer software	3-5 years
— Marketing and Manufacturing rights	8-15 years
— Developed technology rights	8-15 years
— Brands	8-15 years
— Customer related intangibles	5 years

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

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f. Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Based on technical evaluation and consequent advice, the management believes a period of 25 years as representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Group depreciates investment properties over a period of 25 years on a straight-line basis. The useful life estimate of 25 years is different from the indicative useful life of relevant type of buildings mentioned in Part C of Schedule II to the Act i.e. 30 years.

Any gain or loss on disposal of an investment property is recognised in statement of profit or loss.

g. Business combination

In accordance with Ind AS 103, Business combinations, the Group accounts for business combinations after acquisition date using the acquisition method when control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred in the acquisition is generally measured at fair value as at the date the control is acquired (acquisition date), as are the identifiable net assets acquired. Any gain on a bargain purchase is recognised in the OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, then gain on a bargain purchase is recognised directly in equity as capital reserve.

Transaction costs/ acquisition related costs are expensed as incurred and services are received, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the statement of profit and loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration (or right to receive excess contingent consideration transferred) that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group reports in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Group retrospectively adjusts the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

During the measurement period, the Group also recognises additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date.

The measurement period ends as soon as the Group receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable but does not exceed one year from the acquisition date.

Business combinations – common control transaction

Business combination involving entities that are controlled by the group is accounted for at carrying value. No adjustments are made to reflect the fair values, or recognise any new assets or liabilities except to harmonise accounting policies. The financial information in the consolidated financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of combination. The identity of the reserves are preserved and the reserves of transferor becomes the reserves of the transferee. The difference, if any between the amounts recorded as share capital issued plus any additional consideration in the form of cash and the amounts of share capital of the transferor is transferred to amalgamation adjustment reserves and is presented separately from other capital reserves.

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h. 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.

Provisions are made towards slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which consideration of product lines and market conditions.

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, 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.

i. Impairment

i. Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Group 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. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

ii. Impairment of non-financial assets

The Group assesses 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 CGU exceeds its estimated recoverable amount in the statement of profit or loss.

Goodwill is tested annually for impairment. For the purpose of impairment testing, goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

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 Group's non-financial 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 Group of CGUs) on a pro rata basis.

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

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j. 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:"

Gratuity

The Group provides for gratuity, a defined benefit plan ("the Gratuity Plan") covering the eligible employees of the Company and its Indian subsidiaries. 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 Group.

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 Group 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 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.

Provident Fund

Eligible employees of the Company and its Indian subsidiaries receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the respective Companies 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 Companies have no further obligation to the plan beyond its monthly contributions.

iii. Compensated absences

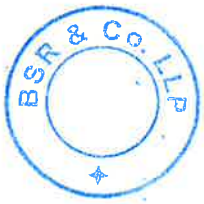
The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using the projected unit credit method 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 is the period in which the absences occur.

iv. Share-based compensation

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee 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 Group is recognised as an employee expense.

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 "share based payment 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 (Black-Scholes-Merton). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.



k. 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 Group 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 Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the 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 Group recognises any impairment loss on the assets associated with that contract.

l. Revenue from contracts with customers

The Group has implemented new standard Ind-AS 115 'Revenue from Contracts with Customers' effective April 1, 2018 using cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application. The Group has evaluated its open arrangements on out-licensing with reference to upfront non-refundable fees received in earlier periods and concluded that some of the performance obligations may not be distinct and hence would need to be bundled with the subsequent product supply obligations. Accordingly standard is applied retrospectively only to contracts that were not completed as at the date of initial application.

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 recognized (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.

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

Provision for chargeback, rebates and discounts

Revenues are recorded net of provisions for variable consideration, including discounts, rebates, governmental rebate programs, price adjustments, returns, chargebacks, promotional programs and other sales allowances. Accruals for these provisions are presented in the consolidated financial statements as reductions in determining net sales and as a contra asset in accounts receivable, net (if settled via credit) and trade payables (if paid in cash).

Provisions for chargeback, rebates, discounts and Medicaid payments are estimated and provided for in the year of sales and recorded as reduction of revenue. A chargeback claim is a claim made by the wholesalers for the difference between the price at which the product is initially invoiced to the wholesaler and the net price at which it is agreed to be procured from the Company. Provisions for such chargebacks are accrued and estimated based on historical average chargeback rate actually claimed over a period of time, current contract prices with wholesalers/other customers and estimated inventory holding by the wholesalers/other customers.

Amounts recorded for revenue deductions can result from a complex series of judgements about future events and uncertainties and can rely heavily on estimates and assumptions.

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ii. Milestone payments and out licensing arrangements

The Group 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 Group 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 of 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 underlying sales are incurred.

The Group recognises a deferred income (contract liability) if consideration has been received (or has become receivable) before the Group 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 Group 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. Contract research and manufacturing services income:

Revenue is recognised upon transfer of control of promised services or compounds to customers in an amount that reflects the consideration we expect to receive in exchange for those services or compounds.

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

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

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

In respect of contracts involving sale of compounds arising out of contract research, revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment to the customer. 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. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

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

***iv.* Royalty income and profit share**

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

Revenue from contracts with customers (Continued)

v. Sales Return Allowances

The Group 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 Group's estimate of expected sales returns. The estimate of sales return is determined primarily by the Group's historical experience in the markets in which the Group operates.

vi. Dividends

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

vii. Rental income

Rental income from investment property is recognised in statement of profit or loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

viii. 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 Group capitalises the gross cost of these assets as the Group controls these assets.

ix. Interest income and expense

Interest income or expense is recognised using the effective interest method.

m. Government grants

The Group recognizes 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 amortized 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.

n. Income taxes

Income tax comprises of current and deferred income tax. Income tax expense is recognised in statement of profit or 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. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

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 or simultaneously.

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the 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 Group 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 realized.

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 utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future. The Group 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.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

o. 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.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

p. Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per 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.

q. Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairperson and Managing Director of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the Chief Operating Decision Maker (CODM). All operating segments' operating results are reviewed regularly by the CODM to make decisions about resources to be allocated to the segments and assess their performance.

r. Leases

(i) The Group as lessee:

The Group 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 assesses whether a contract conveys the right to control use of an identified asset, the Group assesses whether:

- The contract involves use of an identified asset;
- The Group has substantially all the economic benefits from the use of the asset through the period of lease; and
- The Group has the right to direct the use of an asset.

At the date of commencement of lease, the Group 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 Group 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.

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Leases (Continued)

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 Group 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.

(ii) The Group as a Lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating lease.

s. Operating cycle

The Group 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 an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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 Group's normal operating cycle is twelve months.

t. Exceptional items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities 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 Group.

u. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

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

	Land	Buildings	Leasehold improvements	Plant and equipment	Research & development equipment	Furniture and fixtures	Vehicles	Total	Capital work-in-progress
	[Refer note (a)]			[Refer note (c)]					[Refer note (e)]
Gross carrying amount									
At April 01, 2022	2,805	19,766	116	71,179	3,525	1,663	186	99,240	34,203
Additions	-	600	2,402	18,682	398	590	44	22,716	14,178
Disposals/transfers	-	(123)	-	(280)	(13)	-	(46)	(462)	(22,716)
Other adjustments	-	-	-	-	-	-	-	-	-
- Foreign currency translation adjustment	113	571	-	1,327	-	6	1	2,018	210
At March 31, 2023	**2,918**	**20,814**	**2,518**	**90,908**	**3,910**	**2,259**	**185**	**1,23,512**	**25,875**
Additions	434	2,255	168	6,864	453	201	50	10,425	24,249
Disposals/transfers	-	(11)	-	(1,575)	(49)	(38)	(34)	(1,707)	(10,425)
Other adjustments									
- Foreign currency translation adjustment	21	112	-	254	-	1	-	388	153
At March 31, 2024	**3,373**	**23,170**	**2,686**	**96,451**	**4,314**	**2,423**	**201**	**1,32,618**	**39,852**
Accumulated depreciation									
At April 01, 2022	-	5,166	32	33,823	2,292	1,064	96	42,473	-
Depreciation for the year	-	807	68	6,682	216	214	23	8,010	-
Disposals	-	(72)	-	(200)	(13)	-	(32)	(317)	-
Other adjustments	-	-	-	-	-	-	-	-	-
- Foreign currency translation adjustment	-	117	-	456	-	4	-	577	-
At March 31, 2023	**-**	**6,018**	**100**	**40,761**	**2,495**	**1,282**	**87**	**50,743**	**-**
Depreciation for the year	-	866	131	7,410	256	240	26	8,929	-
Disposals	-	(5)	-	(1,328)	(49)	(37)	(22)	(1,441)	-
Other adjustments	-	-	-	-	-	-	-	-	-
- Foreign currency translation adjustment	-	27	-	178	-	1	-	206	-
At March 31, 2024	**-**	**6,906**	**231**	**47,021**	**2,702**	**1,486**	**91**	**58,437**	**-**
Net carrying amount									
At March 31, 2023	2,918	14,796	2,418	50,147	1,415	977	98	72,769	25,875
At March 31, 2024	**3,373**	**16,264**	**2,455**	**49,430**	**1,612**	**937**	**110**	**74,181**	**39,852**

(a) Land includes land held on lease under perpetual basis: Gross carrying amount Rs 661 (March 31, 2023 - Rs 661); Net carrying amount Rs 661 (March 31, 2023 - Rs 661).

(b) The Group capitalises its cost of general borrowings at the rates mentioned in note 14 and note 19. Borrowing costs capitalised during the year amounted to Rs. 2,753 (March 31, 2023 - Rs. 2,433).

(c) Plant and equipment include computers and office equipment.

(d) Foreign exchange loss, net of Rs. Nil (March 31, 2023 - Rs. Nil) on long term foreign currency monetary liabilities relating to acquisition of a depreciable capital asset has been adjusted with the cost of such asset pursuant to option available on long-term foreign currency monetary items which were obtained before the beginning of the first Ind AS financial reporting period as per the previous GAAP [refer note 2(b)(i)].

(e) Capital work-in-progress as on March 31, 2024 mainly comprises new biopharmaceutical and research manufacturing units.

(f) For details of security on certain property, plant and equipment, refer note 14

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

Capital work in progress ageing schedule :-

	Amount in CWIP for a period of				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	20,614	6,538	6,936	5,764	39,852
As at March 31, 2024	**20,614**	**6,538**	**6,936**	**5,764**	**39,852**
Projects in progress	10,434	7,940	6,071	1,430	25,875
As at March 31, 2023	**10,434**	**7,940**	**6,071**	**1,430**	**25,875**

(i) There are no capital work-in-process which is temporarily supended as at March 31, 2024 and as on March 31, 2023.

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

	To be completed in				
Projects in progress	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Project 2	2,750	-	-	-	2,750
Project 3	6,563	-	-	-	6,563
Project 5	2,892	-	-	-	2,892
Project 9	3	40	33	-	76
Project 10	97	1	-	-	98
Project 11	502	21	-	-	523
Project 12	2,253	-	-	-	2,253
As at March 31, 2024	**15,060**	**62**	**33**	**-**	**15,155**
Project 2	1,962	-	-	-	1,962
Project 3	-	6,269	-	-	6,269
Project 4	367	-	-	-	367
Project 5	1,275	-	-	-	1,275
Project 9	73	-	-	-	73
Project 10	297	-	-	-	297
Project 11	21	-	-	-	21
As at March 31, 2023	**3,995**	**6,269**	**-**	**-**	**10,264**

Project 4 was capitalised during the year.

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4 (a). Intangible assets	Goodwill	Intangible assets							Intangible assets under development		
		Developed technology rights	Marketing and Manufacturing rights	Other intangible assets *	Customer related intangible	Brand / Trademark	IP under commercialisation	Total	Products under development (internally generated)	Marketing rights	Total
Gross carrying amount											
At April 01, 2022	264	6,371	1,676	1,571	77	-	81	9,776	6,355	651	7,006
Additions	-	-	-	252	-	-	-	252	1,678	152	1,830
Assets acquired through Business Combination	1,59,831	42,255	9,340	-	-	2,632	-	54,227	38,388	-	38,388
Disposals/transfers	-	-	-	-	-	-	-	-	-	(70)	(70)
impairment during the year [refer note 32]	-	-	-	-	-	-	-	-	(415)	-	(415)
Other adjustments	-	-	-	-	-	-	-	-	-	-	-
- Foreign currency translation adjustment	1,267	889	169	-	-	16	-	1,074	649	12	661
At March 31, 2023	**1,61,362**	**49,515**	**11,185**	**1,823**	**77**	**2,648**	**81**	**65,329**	**46,655**	**745**	**47,400**
Additions	-	8,471	238	1,395	-	-	-	10,104	3,472	7	3,479
Assets acquired through Business Combination	69	-	-	-	-	-	-	-	-	-	-
Disposals/transfers	-	(9)		(1)	-	-	-	(10)	(7,291)	-	(7,291)
impairment during the year [refer note 32]	-	-	(21)	-	-	-	-	(21)	(3,854)	(70)	(3,924)
Other adjustments	-	-	-	-	-	-	-	-	-	-	-
- Foreign currency translation adjustment	2,293	1,098	-	-	-	-	-	1,098	522	-	522
At March 31, 2024	**1,63,724**	**59,075**	**11,402**	**3,217**	**77**	**2,648**	**81**	**76,500**	**39,504**	**682**	**40,186**
Accumulated amortisation											
At April 01, 2022	-	1,966	721	945	77	-	81	3,790	105	-	105
Amortisation for the year	-	2,012	519	309	-	74	-	2,914	-	-	-
impairment during the year [refer note 32]			324					324	-	-	
- Foreign currency translation adjustment	-	288	49	-	-	-	-	337	-	-	-
At March 31, 2023	**-**	**4,266**	**1,613**	**1,254**	**77**	**74**	**81**	**7,365**	**105**	**-**	**105**
Amortisation for the year	-	5,662	64	347	-	222	-	6,295	-	-	-
Disposal		(9)	(1)					(10)	-	-	-
impairment during the year [refer note 32]			(9)					(9)	-	-	-
- Foreign currency translation adjustment	-	73	-	-	-	-	-	73	-	-	-
At March 31, 2024	**-**	**9,992**	**1,667**	**1,601**	**77**	**296**	**81**	**13,714**	**105**	**-**	**105**
Net carrying amount											
At March 31, 2023	1,61,362	45,249	9,572	569	-	2,574	-	57,964	46,550	745	47,295
At March 31, 2024	**1,63,724**	**49,083**	**9,735**	**1,616**	**-**	**2,352**	**-**	**62,786**	**39,399**	**682**	**40,081**

(a) Borrowing cost capitalised during the year amounted to Rs 2,136 (March 31, 2023: Rs 697).
(b) Refer note 34 (ii) for contractual commitments for purchase of intangible assets.
(c) Refer note 43 for impairment assessment of Goodwill.
(d) During the previous year, the Group reassessed the useful life of Product related intangibles (including Licences, Brands and Patents) which resulted in changes in the future expected economic benefit from the intangible assets for a period of 15 years (approx). The Management had previously considered life of 7 years to amortise the intangibles. The effect of these changes in useful life is as below:

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Post FY 2027
(Decrease) increase in amortisation expense	(140)	(573)	(571)	(476)	(40)	1,800

* Other intangible assets includes computer software and intellectual property rights.

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4 (a). Intangible assets under development (continued)

Intangible assets under development ageing schedule:-

	Amount in Intangible assets under development for a period of				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	6,861	32,588	149	483	40,081
As at March 31, 2024	**6,861**	**32,588**	**149**	**483**	**40,081**
Projects in progress	40,252	1,768	1,274	4,001	47,295
As at March 31, 2023	**40,252**	**1,768**	**1,274**	**4,001**	**47,295**

(i) There are no intangible assets under development which are temporarily suspended as at March 31, 2024 and as at March 31, 2023.

(ii) The intangible assets under development includes intangibles for Novels-T1H amounting to Rs. 146 which is subject to various phases of trial run and related approvals. There is no approval completion date for these assets.

Intangible assets under development completion schedule (projects whose completion is overdue or has exceeded its cost compared to its original plan)

	To be completed in				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress					
Project 1		2,631	-	-	2,631
As at March 31, 2024	-	**2,631**	-	-	**2,631**
Projects in progress					
Project 1	2,749	-	-	-	2,749
As at March 31, 2023	**2,749**	-	-	-	**2,749**

4 (b). Right-of-use assets

	Right-of-use assets			
	Land	**Buildings**	**Vehicles**	**Total**
Gross carrying amount				
At April 01, 2022	374	2,585	91	3,050
Additions	-	96	70	166
Disposals	-	(164)	(41)	(205)
At March 31, 2023	**374**	**2,517**	**120**	**3,011**
Additions	-	4,927	273	5,200
Disposals	-	(1,745)	(7)	(1,752)
At March 31, 2024	**374**	**5,699**	**386**	**6,459**
Accumulated depreciation				
At April 01, 2022	6	328	43	377
Amortisation for the year	12	191	4	207
Disposals/transfer	-	(155)	-	(155)
At March 31, 2023	**18**	**364**	**47**	**429**
Amortisation for the year	38	358	68	464
Disposals/transfer	-	(174)	(5)	(179)
At March 31, 2024	**56**	**548**	**110**	**714**
Net carrying amount				
At March 31, 2023	356	2,153	73	2,582
At March 31, 2024	**318**	**5,151**	**276**	**5,745**

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	March 31, 2024	March 31, 2023
5. Non-current Investments		
I. Quoted equity instruments at fair value through other comprehensive income		
Vaccinex Inc., USA - 1,425 (March 31, 2023 - 299,226) Common Stock, par value USD 0.0001 each [refer note (v) below]	1	10
Equillium Inc., USA - 2,316,134 (March 31, 2023 - 2,316,134) Common Stock, par value USD 0.001 each	417	110
Total quoted investments in equity instruments	**418**	**120**
II. Unquoted instruments at fair value through other comprehensive income		
Immuneel Therapeutics Private Limited - 2,020 (March 31, 2023: 2,020) equity shares of Rs 10 each [refer note (i) below]	229	322
Bicara Therapeutics Inc. : 1,070,000 (March 31, 2023 - Nil) equity shares of USD 0.0001 each [refer note 44]	122	-
Bicara Therapeutics Inc. : 49,990,144 (March 31, 2023 - Nil) Compulsorily convertible preference Shares of USD Rs. 1 each [refer note 44 below]	5,755	-
HR Kaveri Private Limited - 4,922,663 (March 31, 2023: 4,922,663) Equity shares of Rs. 10 each	49	49
Total unquoted investments in equity instruments	**6,155**	**371**
III. Unquoted equity instruments at fair value through profit or loss		
In others:		
Energon KN Wind Power Private Limited - 41,708 (March 31, 2023 - 41,708) equity shares of Rs 10 each	1	1
Less: Provision for decline, other than temporary, in the value of non-current investments	(1)	(1)
Four Ef Renewables Private Limited - 287,474 (March 31, 2023 - 287,474) equity share of Rs. 100 each	29	29
O2 Renewable Energy II Prviate Limited - 858,000 (March 31, 2023: 858,000) equity shares of Rs 10 each	9	9
Hinduja Renewables Two Private Limited - 5,916,166 equity shares (March 31, 2023 - 5,916,166) equity share of Rs. 10 each	59	59
Ampyr Renewable Energy Resources Private Limited - 4,365,687 (31 March 2023: 150) Equity shares of Rs. 10 each	43	-
Total unquoted investments in equity instruments	**140**	**97**
IV. Unquoted shares/ instruments at fair value through profit or loss		
In others:		
Energon KN Wind Power Private Limited - 15,888 (March 31, 2023 - 15,888) Compulsorily Convertible Preference Shares, par value Rs 100 each	1	1
Less: Provision for decline, other than temporary, in the value of non-current investments	(1)	(1)
O2 Renewable Energy II Prviate Limited - 20,020 (March 31, 2023: 20,020) 0.01% compulsory convertible debentures of Rs. 1,000 each [refer note (iii) below]	20	20
Four Ef Renewables Private Limited - 574,947 (March 31, 2023 - 574,947) 0.001% Compulsorily convertible preference Shares of Rs. 100 each [refer note (ii) below]	57	57
	77	77
Ampyr Renewable Energy Resources Prviate Limited - 8,731,375 (31 March 2023: Nil) Compulsory convertible preference shares of Rs. 10 each [refer note(iv) below]	87	-
Less: dimunition in the value of investments	(40)	-
Total unquoted investments in shares/ instruments	**124**	**77**
V. Investments in Certificates of deposits carried at amortized cost		
Others:		
Inter corporate deposits with financial institutions *	4	5,380
Total unquoted investments in deposits	**4**	**5,380**
Total non-current investments	**6,841**	**6,045**
Aggregate value of quoted investments	418	120
Aggregate value of unquoted investments	6,465	5,927
Aggregate amount of impairment in value of investments	42	2

(i) During the year ended March 31, 2021, Syngene invested Rs. 100 in Immuneel Therapeutics Private Limited. During the year ended March 31, 2022, additional funding from external investors were received resulting in a dilution of Syngene's equity interest. The gain on fair valuation from Rs. 100 to Rs. 214 is recognised in Other comprehensive income. During the year ended 31 March 2023 and March 31, 2024, Syngene based on a fair valuation recorded a fair value increase in its investment carrying value by Rs. 108 and a fair value decrease of Rs. 93 million, respectively.

(ii) Terms of conversion: 1 compulsory convertible preference share of face value Rs. 100/- each will convert to 1 equity share of face value Rs. 100/- at end of the tenure of 20 years from allotment.

(iii) Terms of conversion: 1 compulsory convertible debentures of face value Rs. 1000/- each will convert to 1 equity share of face value Rs. 100/- at end of the tenure of 20 years from allotment.

(iv) Terms of conversion: 1 compulsory convertible preference share of face value Rs. 10/- each will convert to 1 equity share of face value Rs. 10/- at end of the tenure of 20 years from allotment.

(v) Decrease due to reverse stock split

* Inter corporate deposits with financial institutions yield fixed interest rate.

The Group's exposure to credit and currency risks, and loss allowances are disclosed in note 36.

6. Other financial assets		
(i) Non-current		
Deposits	699	587
Contingent consideration receivable [refer note 36(D) and 42(d)]	750	8,993
Bank deposits with maturity of more than 12 months	2	1,250
Other receivables	15	-
	1,466	**10,830**
(ii) Current		
Interest accrued but not due	-	564
Inter corporate deposits with financial institutions *	5,380	
Other receivables	389	757
	5,769	**1,321**

* Inter corporate deposits with financial institutions yield fixed interest rate.

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	March 31, 2024	March 31, 2023
7. Deferred tax balances		
Deferred tax assets (net)	3,173	3,010
Deferred tax liabilities (net)	(3,915)	(3,818)
Total	(742)	(808)
Deferred tax liabilities		
Property, plant and equipment and intangible assets	3,742	3,771
Intangible assets acquired in business combination [refer note 38(d)]	2,852	2,852
Goodwill	894	654
Derivative assets	507	250
Deferred consideration	215	385
Gross deferred tax liabilities	8,210	7,912
Deferred tax assets		
Provision for employee benefits	607	525
Allowance for doubtful debts	26	119
Other deductible expenses	78	180
MAT credit entitlement	3,419	2,723
Deferred revenue	80	93
Carry-forward losses	2,405	2,603
Others	853	861
Gross deferred tax assets	7,468	7,104
Deferred tax assets (net) [refer note 38 (d)]	(742)	(808)
8. Other assets		
(Unsecured considered good, unless otherwise stated)		
(a) Non-current		
Capital advances	2,304	1,216
Duty drawback receivable	90	112
Balances with statutory / government authorities	1,793	1,486
Prepayments	93	167
	4,280	2,981
(b) Current		
Balances with statutory / government authorities	4,516	3,061
Advance to suppliers	1,064	1,503
Prepayments	1,571	1,316
	7,151	5,880
9. Inventories		
Raw materials, including goods-in-bond *	8,366	8,962
Packing materials	2,798	3,767
Traded goods	15,895	11,983
Finished goods	8,234	4,013
Work-in-progress	14,146	13,712
	49,439	42,437

* Inventories includes goods in-transit Rs. 4,236 (March 31, 2023 - Rs 326)

Write-down of inventories to net realisable value and provision for stock obsolescence amounted to Rs. 565 (March 31, 2023 - Rs 719). These were recognised as an expense during the year and included in 'changes in inventories of finished goods, work-in-progress and stock-in-trade' in the consolidated statement of profit and loss.

10. Current investments

Quoted - Investments at fair value through profit or loss:		
(a) Investment in mutual funds	3,047	4,414
(b) Investment in Invivyd Inc (formerly, 'Adagio Therapeutics Inc') - 294,000 (March 31, 2023 - 294,000) Common Stock, par value USD 0.0001 each	109	29
	3,156	4,443
Unquoted- Investment carried at amortised cost		
Inter corporate deposits with financial institutions *	-	8,822
	-	8,822
Total current investments	3,156	13,265
***Inter corporate deposits with financial institutions yield fixed interest rate**		
Aggregate market/ fair value of quoted investments	3,156	4,443
Aggregate value of unquoted investments	-	8,822

The Group's exposure to credit and currency risks, and loss allowances are disclosed in note 36.

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11. Trade receivables

	March 31, 2024	March 31, 2023
(a) Trade Receivables considered good - Unsecured	62,306	35,732
(b) Trade Receivables - credit impaired	646	617
	62,952	36,349
Allowance for expected credit loss	(646)	(617)
	62,306	**35,732**

The Group's exposure to credit and currency risks, and loss allowances are disclosed in note 36.

			Outstanding for following periods from due date of payment					
Trade receivables ageing schedule:	Unbilled	Not overdue	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	961	41,804	32,520	8,121	437	2	-	83,845
Undisputed trade receivables - credit impaired	-	133	77	25	360	7	44	646
As at March 31, 2024	**961**	**41,937**	**32,597**	**8,146**	**797**	**9**	**44**	**84,491**
Less: Provision for chargebacks / discounts / rebates / incentives settled through issuance of credit note								(21,539)
								62,952
Undisputed trade receivables - considered good	2,613	39,226	3,871	2,507	300	-	-	48,518
Undisputed trade receivables - credit impaired	122	-	41	42	204	166	42	617
As at March 31, 2023	**2,735**	**39,226**	**3,912**	**2,549**	**504**	**166**	**42**	**49,135**
Less: Provision for chargebacks / discounts / rebates / incentives settled through issuance of credit note								(12,785)
								36,349

12. Cash and bank balances

	March 31, 2024	March 31, 2023
Cash and cash equivalents		
Balances with banks:		
On current accounts	11,636	12,872
On unpaid dividend account	2	3
Deposits with banks with original maturity of less than 3 months	698	360
Total cash and cash equivalents	**12,336**	**13,235**
Bank balances other than cash and cash equivalents		
Deposits with banks with original maturity of more than 3 months but less than 12 months	10,248	10,763
Margin money deposit [Refer note (a) below]	3	3
Total other bank balances	**10,251**	**10,766**
Total cash and bank balances	**22,587**	**24,001**

(a) Margin money deposits with carrying amount of Rs 3 (March 31, 2023 - Rs 3) are subject to first charge against bank guarantees obtained.

(b) The Group has cash in hand which are not disclosed above since amounts are rounded off to Rupees million.

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	March 31, 2024	March 31, 2023
13(a). Equity share capital		
Authorised		
1,250,000,000 (March 31, 2023 - 1,250,000,000) equity shares of Rs 5 each (March 31, 2023 - Rs 5 each)	6,250	6,250
Issued, subscribed and fully paid-up		
1,200,600,000 (March 31, 2023 - 1,200,600,000) equity shares of Rs 5 each (March 31, 2023 - Rs 5 each)	6,003	6,003

(i) Reconcillation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	March 31, 2024		March 31, 2023	
	No. of shares	Rs Million	No. of shares	Rs Million
At the beginning of the year	1,20,06,00,000	6,003	1,20,06,00,000	6,003
Issue of shares	-	-	-	-
Outstanding at the end of the year	**1,20,06,00,000**	**6,003**	**1,20,06,00,000**	**6,003**

(ii) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs 5 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.

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

	March 31, 2024		March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs 5 each fully paid				
Kiran Mazumdar-Shaw	48,45,81,970	40.36%	47,61,36,622	39.66%
Glentec International Limited	23,72,11,164	19.76%	23,72,11,164	19.76%

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

(iv) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, refer note 30.

(v) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date:

Particulars	Year ended March 31				
	2024	2023	2022	2021	2020
Equity shares of Rs 5 each	-	-	-	-	60,00,00,000

The Company had allotted 600,000,000 equity shares of Rs 5 each fully paid up as bonus shares on June 19, 2019 in the ratio of 1:1 (one equity shares of Rs 5 each for every one equity share of Rs 5 each held in the Company as on the record date i.e. June 13, 2019) by capitalisation of securities premium and general reserve. In accordance with Ind AS 33, the Earnings per share data adjusted to give effect to the bonus issue.

(vi) Details of shares held by promoters

March 31, 2024

Name of the promoter	No. of equity shares	% of Total Shares	% change during the year
Kiran Mazumdar Shaw	48,45,81,970	40.36%	0.70%
J M M Shaw	-	0.00%	-0.70%
Ravi Mazumdar	53,01,321	0.44%	-
Dev Mazumdar	9,29,721	0.08%	-
Glentec International Limited	23,72,11,164	19.76%	-
Total	**72,80,24,176**	**60.64%**	**0.00%**

March 31, 2023

Name of the promoter	No. of equity shares	% of Total Shares	% change during the year
Kiran Mazumdar Shaw	47,61,36,622	39.66%	0.03%
Yamini R Mazumdar	-	0.00%	-0.11%
J M M Shaw	84,45,348	0.70%	0.00%
Ravi Mazumdar	53,01,321	0.44%	0.04%
Dev Mazumdar	9,29,721	0.08%	0.03%
Glentec International Limited	23,72,11,164	19.76%	0.00%
Total	**72,80,24,176**	**60.64%**	**0.00%**

13(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.

General reserve

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

Retained earnings

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the standalone financial statements of the Company and also considering the requirements of the Act. Thus the amounts reported are not distributable in entirety.

SEZ re-investment reserve

The SEZ re-investment reserve has been created out of profit of eligible SEZ units in terms of the provisions of section 10AA(1)(ii) of the Income-tax Act, 1961. The reserve has been utilised for acquiring new plant and machinery for the purpose of its business in terms of section 10AA(2) of the Income-tax Act, 1961.

Share based payment reserve

The Group has established various equity settled share-based payment plans for certain categories of employees of the Group. Also refer note 30 for further details on these plans.

Treasury shares

Own equity instruments that are reacquired (treasury shares) by the ESOP trusts of the Group are recognised at cost and deducted from equity.

Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's reporting currency (i.e. Indian Rupees) are accumulated in the foreign currency translation reserve. This also includes effective portion of Group's net investment in foreign operations.

Other items of other comprehensive income

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

Debenture redemption reserve

The Group had issued Redeemable Non-Convertible Debentures ("NCD") and Redeemable Optionally Convertible Debentures ("OCD") in prior years. As per the provisions of the Companies Act, 2013, debenture redemption reserve is created out of profits available for payment of dividend.

Capital redemption reserve

The Group had redeemed intercompany 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 is transferred to the capital redemption reserve.

Cash flow hedging reserves

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

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14. Non-current borrowings

	March 31, 2024	March 31, 2023
Loans from banks (secured)		
Term loan [refer note (a), (b), (c), (d), (e), (f), (h) and (m) below]	1,00,833	1,24,001
Redeemable Non-Convertible Debentures ("NCD") [refer note (i),(k) and (l) below]	18,324	12,922
Loans from banks (unsecured)		
Term loan [refer note (g) below]	1,708	1,952
Other loans and advances (unsecured)		
Redeemable Optionally Convertible Debentures ("OCD") [refer note (j) below]	14,939	14,030
	1,35,804	1,52,905
Less: Current maturities disclosed in "Current borrowings" [refer note 19]	(6,480)	-
	1,29,324	**1,52,905**
The above amount includes		
Secured borrowings	1,19,157	1,36,923
Unsecured borrowings	16,647	15,982
Current maturities disclosed in "Current borrowings" [refer note 19]	(6,480)	-
Net amount	**1,29,324**	**1,52,905**

(a) During the year ended March 31, 2021, HDFC bank has sanctioned external commercial borrowing (ECB) facility of USD 25 million to the Company. During the year ended March 31, 2023, the Company had drawn ECB of USD 15 million, carrying interest @ SOFR + 1.75% per annum. The loan is repayable in 3 yearly instalments commencing from June 2025. The loan is secured by exclusive charge on the property, plant and equipment to be created out of the term loan facility. The Company has entered into interest rate swap converting the floating rate to fixed rate of interest. Carrying value of the loan as at March 31, 2024 amounts to Rs 2,084 (March 31, 2023: 2,055).

(b) During the year ended March 31, 2021, Biocon Biosphere Limited ("BBSL") obtained an external commercial borrowing of USD 50 million from a bank. During the year ended March 31, 2023, the Company has drawn ECB of USD 16 million, carrying interest @ SOFR + 1.75% per annum. The loan is repayable in 3 yearly instalments commencing from June 2025. The loan is secured by first priority pari passu charge on the plant and machinery of the facility for the manufacture of pharmaceuticals. BBSL has entered into interest rate swap to convert floating rate to fixed rate. Carrying value of the loan as at March 31, 2024 amounts to Rs 4,167 (March 31, 2023: 4,109).

(c) During the year ended March 31, 2019, Biocon Biologics Limited ("BBL") had obtained an external commercial borrowing facility of USD 75 million from MUFG Bank Limited. This loan is repayable in 3 annual instalments commencing from April 2024 and carries an interest rate of SOFR + 1.26% p.a. The term loan facility is secured by first priority pari-passu charge on the plant and machinery of the proposed facility for the manufacturing of pharmaceuticals. Carrying value of the loan as at March 31, 2024 amounts to Rs 6,251 (March 31, 2023: 6,164).

(d) During the year ended March 31, 2021, BBL had obtained a Term loan facility from The Hongkong and Shanghai Banking Corporation Limited amounting to Rs 3,500 repayable in 2 equal annual instalments commencing from April 2024. Term loan carries an interest rate of 3 Months T Bill + 2.3% p.a. and are secured by first pari-passu charge on the present and future of movable property, plant and equipment of the BBL. Carrying value of the loan as at March 31, 2024 amounts to Rs 3,500 (March 31, 2023: 3,500).

(e) During the year ended March 31, 2023, the Biosimilars Newco Limited (subsidiary of BBL) has entered into a USD 1.2 Billion long-term syndicated loan facility agreement with consortium of lenders for a tenure of 5 years. The term loan is repayable in quarterly instalments starting after 30 months of the execution of the agreement and carries an interest rate of SOFR + margin of 1.95% p.a to 1.35% p.a. The loan is secured by first pari-passu charge movable property, plant and equipment of BBL, Biocon Sdn. Bhd., Malaysia. ("Biocon Malaysia"), Biocon Biologics UK Ltd ("Biocon UK"), Biosimilars Newco Limited and Biosimilars collaboration Ireland Limited. Further the loan is also secured by corporate guarantee by BBL, Biocon Malaysia, Biocon UK and Biosimilars Collaboration Ireland Limited. The Group has pre-paid USD 250 million during the year. Carrying value of the loan as at March 31, 2024 amounts to Rs 77,699 (March 31, 2023: 97,118), net-off unamortised debt issuance cost of Rs. 1,474 (March 31, 2023: 1,498).

During the year funding arrangement was amended, whereby the lenders have relied upon the Equity Support Agreement ('ESA') given by the Company and has resulted in relief for purpose of covenant compliance by BBL. ESA was approved by the shareholders of Biocon Limited ("the Holding Company") on 22 April 2024. As at the date of adoption of these consolidated financial statements, BBL complies with the financial covenants as of March 31, 2024.

(f) During the year ended March 31, 2022, Biocon UK had obtained a term loan facility of USD 75 million from The Hongkong and Shanghai Banking Corporation Limited for a tenure of 5 years. The term loan is repayable over the period of 4 years and carries an interest rate of 1 month SOFR + 1.11% p.a. and are secured by first pari-passu charge on the present and future Plant and Machinery of Biocon Malaysia. Carrying value of the term loan as at March 31, 2024 is Rs. 5,428 (March 31, 2023: 6,164).

(g) During the year ended March 31, 2022, Biocon Biologics UK Limited ("Biocon UK") (formerly "Biocon Biologics Limited") had obtained a term loan facility of USD 25 million from The HDFC Bank Limited for a tenure of 5 years. The term loan is repayable in 5 annual installments starting from the end of year 1 and carries an interest rate of 3 months SOFR + 1.26% p.a. Carrying value of the term loan as at March 31, 2024 is Rs. 1,708 (March 31, 2023: 1,952).

(h) (i) Syngene International Limited ('Syngene') has entered into an external commercial borrowing agreement dated September 21, 2020, to obtain a USD 50 million (Rs. 4,109) term loan facility. This facility was utilized to finance capital expenditures at the Bengaluru, Hyderabad, and Mangaluru premises of Syngene, as intended. The loan carried an interest rate of Libor + 1.30% and was scheduled to be repaid in three installments: USD 7.5 million in September 2023, USD 12.5 million in September 2024, and USD 30 million in September 2025. The facility was secured by a first priority pari passu charge on fixed assets (movable plant and machinery) and a second charge on the current assets of Syngene. The first installment was paid as per the schedule. However, the remaining loan amount was pre-closed on October 3, 2023.

(h) (ii) Syngene has entered into foreign currency term loan agreement dated March 30, 2021 to borrow USD 20 million (Rs. 1,644) term loan facility. The facility is borrowed to incur capital expenditure at Bengaluru, Hyderabad and Mangaluru premises of the Company and was used for this specific purpose. The facility carries an interest rate of 6M SOFR + 1.17% and are to be paid in three instalments of 15%, 25% and 60% from end of 3 years, 4 years and 5 years respectively from the date of origination. The facility is secured by first priority pari passu charge on property, plant and equipment (movable plant and machinery) and second charge on current assets of Syngene.

(i) During the year ended March 31, 2021, BBL had issued NCD of face value Rs 10,00,000 each to HDFC Bank Limited amounting to Rs. 2,000 for a tenure of 43 months. The debentures are repayable at the end of the term in April 2024. The NCD carries call/put option on or after September 21, 2023. The debentures carries fixed coupon rate of 6.8949% p.a. and are secured by first pari-passu charge on the movable plant, property and equipment of BBL. Carrying value of the loan as at March 31, 2024 amounts to Rs Nil (March 31, 2023: 2,000). During the year ended 31 Mar 2024, BBL has repaid the NCD along with interest.

(j) During the year ended March 31, 2021 , BBL has entered into an agreement with Goldman Sachs India AIF Scheme-1('Investor') whereby the Investor has infused Rs.11,250 against issuance of Optionally Convertible Debentures. The debentures are issued for a tenor of 61 months, are unsecured, redeemable at par and carry a conversion option at any time during the tenor at the option of the investor. It also bears a coupon rate of 5% per annum payable on compounded and cumulative basis only on redemption. The debentures were accounted in the consolidated financial statements as a compound financial instrument in line with Ind AS, given that it has both financial liability and equity feature. Accordingly, the consideration received was bifurcated into financial liability and equity in the consolidated financial statements. The financial liability is subsequently recorded at amortised cost.

During the year ended March 31, 2022, BBL had entered into amendment to the terms of OCD agreement which provides for redemption amount INR equivalent of USD 153.23 million with reference to rate published by RBI for conversion of USD to INR one day prior to redemption. This resulted in the modification of the compound financial instrument and OCD is classified as financial liability from the modification date.

(k) During the year ended March 31, 2023, the Company had issued 107,000 redeemable Non-Convertible Debentures (NCD) in 3 series each having a face value of Rs 1,00,000 with a minimum return of 12% per annum plus agreed variable coupon payable upon redemption. The variable coupon is linked to the equity share price of a subsidiary. Tenure of the NCD is 5 years from the date of allotment or earlier based on put option terms requiring the company to provide exit to the lender if exit terms do not occur by the specified date in the agreement. The agreement has drag along rights allowing the lender to seek redemption of NCDs if the put option as described in note 16 is exercised. The NCD are secured by way of pledge over 38,113,557 equity shares of a subsidiary held by the Company. The NCD proceeds were utilised for repayment of mezzanine borrowing which was raised for investing in the subsidiary.

(l) During the current year, the Company has issued 50,000 redeemable Non-Convertible Debentures (NCD) having a face value of Rs 1,00,000 with a minimum return of 12% per annum plus agreed variable coupon payable upon redemption. The variable coupon is linked to the equity share price of a subsidiary. Tenure of the NCD is 4 years from the date of allotment or earlier based on put option terms requiring the company to provide exit to the lender if exit terms do not occur by the specified date in the agreement. The agreement has drag along rights allowing the lender to seek redemption of NCDs if the put option as described in note 16 is exercised. The NCD are secured by way of pledge over 17,810,073 equity shares of a subsidiary held by the Company. The NCD proceeds were utilised for repayment of mezzanine borrowing which was raised for investing in the subsidiary.

(m) During the year ended March 31, 2023, the Company issued Commercial Paper ('CP') of Rs. 22,500 at a discounted value of Rs. 22,073 which were listed in the National Stock Exchange in India. The same has been fully repaid by the Company at maturity value in the year ended March 31, 2023.

(n) The Group has met all the covenants under these arrangements as at March 31, 2024 and March 31, 2023.

(o) The Group's exposure to liquidity, interest rate and currency risks are disclosed in note 36.

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15. Leases

The Group has entered into lease agreements for use of land, buildings and vehicles which expires over a period ranging upto the year of 2117. Gross payments for the year aggregate to Rs. 562 (March 31, 2023: Rs. 294).

The following is the movement in lease liabilities:

Particulars	Land	Buildings	Vehicles	Total
Balance at April 01, 2022	-	2,386	40	2,426
Additions during the year	-	111	77	188
Finance cost accrued during the year	-	163	6	169
Deletions	-	-	(8)	(8)
Payment of lease liabilities	-	(260)	(34)	(294)
Balance at March 31, 2023	-	**2,400**	**81**	**2,481**
Additions during the year	-	3,252	40	3,292
Finance cost accrued during the year	-	260	9	269
Deletions	-	-	(9)	(9)
Payment of lease liabilities	-	(514)	(48)	(562)
Balance at March 31, 2024	-	**5,398**	**73**	**5,471**

The following is the break-up of current and non-current lease liabilities:	March 31, 2024	March 31, 2023
Non current lease liabilities	4,924	2,091
Current lease liabilities	547	390
	5,471	**2,481**

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

Less than one year	868	447
One to five years	2,366	1,198
More than five years	2,797	2,626
Total	**6,031**	**4,271**

The following are the amounts recognised in Profit or loss:		
Amortisation of right to use assets	464	207
Interest expenses on lease liabilities	269	169
Short-term lease payment [refer note (i) below]	3	29
Total	**736**	**405**

(i) The Group 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).

16. Other financial liabilities	March 31, 2024	March 31, 2023
(a) Non-current		
Deferred consideration payable [refer note 42A]	-	25,573
Gross liability on written put options [refer note (i) below]	3,299	14,039
Contingent consideration payable [refer note 36(D) and 42(a)]	7,426	6,583
	10,725	**46,195**

(i) During the year, BBL 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 280.74 amounts to Rs. 3,000.The CCD's are issued for a tenor of 36 months, are unsecured, redeemable at par and carry a conversion option at any time during the tenor at the option of the investor. CCD 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 BBL. The CCD's are convertible upon occurrence of conversion event at 1:1 ratio.

Under the above arrangement , the Group will be required to provide various options to enable the investor to exit over a period of time. In the event, such exit events do not occur, the Investor may require the parent company (Biocon Limited), to buy them out at certain prices agreed under the arrangement. Such an obligation to provide exit to the Investors required the Group to record a financial liability towards gross obligation in the consolidated financial statements in accordance with the Indian Accounting Standards (Ind AS).

(b) Current		
Deferred consideration payable [refer note 42A]	27,423	2,014
Unpaid dividends	6	4
Gross liability on written put options [refer note (i) below]	14,719	-
Interest accrued but not due	176	202
Employee benefit payable [refer note (ii) below]	2,233	1,411
Payables for capital goods	5,448	2,448
	50,005	**6,079**

(i) During the year ended March 31, 2020, the Group had entered into an agreement with Activ Pine LLP ('Investor') whereby the Investor has infused Rs. 5,363 against issuance of equity shares of a subsidiary company, Biocon Biologics Limited ('BBL'), which represents 2.44 % shareholding of BBL. The consideration was received and equity shares were allotted on January 21, 2020.

During the year ended March 31, 2021, the Group had entered into an agreement with Tata Capital Growth Fund II ('Investor') whereby the Investor has infused Rs 2,250 against issuance of equity shares of a subsidiary company, BBL, which represents 0.85% shareholding of BBL. The consideration was received and equity shares were allotted on September 03, 2020.

During the year ended March 31, 2021, the Group had entered into an agreement with Beta Oryx Limited ('Investor') whereby the Investor has infused Rs 5,550 against issuance of equity shares of a subsidiary company, BBL, which represents 1.87% shareholding of BBL. The consideration was received and equity shares were allotted on March 09, 2021.

As per the above agreements , the Group will be required to provide various options to enable the Investor to exit over a period of time. In the event, such exit events do not occur, the Investor may require the parent company (Biocon Limited), to buy them out at certain prices agreed under the arrangement. Such an obligation to provide exit to the Investors required the Group to record a financial liability towards gross obligation amounting to Rs. 14,719 in the consolidated financial statements in accordance with the Indian Accounting Standards (Ind AS).

The Group in accordance with Ind AS has elected an accounting policy choice to follow an anticipated acquisition method on initial recognition which requires recognition of a gross obligation liability with a corresponding derecognition of non-controlling interest balance in its consolidated financial statements. Further, in accordance with the generally accepted accounting principles, the Group has made an accounting policy choice to present any subsequent change in the fair value of gross obligation liability in other equity. The fair value of the gross obligation is computed using the underlying share price of the unlisted subsidiary which is determined based on discounted cash flow approach and other factors.

(ii) Employee benefit payable was disclosed under trade payable in the previous year. In the current year, the employee payable has been disclosed under other financial liabilities including comparable period.

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17. Provisions

	March 31, 2024	March 31, 2023
(a) Non-current		
Provision for employee benefits		
Gratuity [refer note 35]	1,101	1,034
Provision for sales return	1,275	1,231
	2,376	2,265
(b) Current		
Provision for employee benefits		
Gratuity [refer note 35]	398	267
Compensated absences	1,261	935
Provision for sales return	136	284
	1,795	1,486

(i) Movement in provisions	For the year ended March 31, 2024		
	Gratuity	Compensated absences	Sales return
Opening balance	1,301	935	1,515
Provision recognised / (reversed) during the year	198	326	(104)
Closing balance	1,499	1,261	1,411

	For the year ended March 31, 2023		
	Gratuity	Compensated absences	Sales return
Opening balance	1,231	855	136
Acquired through business combination [refer note 42A]	-	-	1,307
Provision recognised / (reversed) during the year	70	80	72
Closing balance	1,301	935	1,515

18. Other liabilities

	March 31, 2024	March 31, 2023
(a) Non-current		
Deferred revenues [refer note 21]	3,107	2,901
	3,107	2,901
(b) Current		
Deferred revenues [refer note 21]	1,176	1,915
Advances from customers [refer note 21]	5,165	5,409
Statutory taxes and dues payable	1,071	3,436
Other dues	356	334
	7,768	11,094

19. Current borrowings

From banks/ financial institutions		
Term loans		
Packing credit foreign currency loan (unsecured) [refer note (i) below]	10,274	2,218
Packing credit rupee export loan (unsecured) [refer note (ii) below]	7,660	8,870
External commercial borrowings (secured) [refer note 14(h)(i) above]	-	616
Cash credit [refer note (iii) below]	3,141	287
Working capital loan (secured) [refer note (iv) below]	417	411
Current maturities of non-current borrowings [refer note 14]	6,480	-
Inter Corporate Deposit ('ICD') [refer note (v) below]	-	12,400
	27,972	24,802
The above amount includes		
Secured borrowings	3,141	1,561
Unsecured borrowings	18,351	23,241

(i) BBL has obtained foreign currency short term unsecured pre-shipment credit loans from various banks that carries fixed interest rate ranging from 5.75% p.a. to 6.45% p.a. Packing credit foreign currency loan tenure is upto 180 days from the date of draw down.

(ii) BBL has obtained rupee denominated short term unsecured pre-shipment credit loans from various banks that carries interest rate ranging from 7.24% p.a. to 8.20% p.a. Packing credit rupee loan tenure is upto 180 days from the date of draw down.

(iii) Biocon SDN. BHD, Malaysia had availed working capital facilities upto USD 10 million carrying an interest rate of Bank Lending Rate + 0.5% p.a. The loan is secured by corporate guarantee by BBL.

(iv) Biocon Pharma Inc. (BPI) has availed working capital facilities upto USD 5 million carrying an interest rate of one month SOFR + 0.75% p.a. The working capital facilities are secured by a charge on inventories and accounts receivables of BPI.

(v) During the year ended March 31, 2023, Biocon Pharma Limited ('BPL') borrowed an unsecured loan of Rs 12,400 from Serum Institute Life Sciences Pvt Ltd carring interest rate of 8% for a period of six months. The same has been settled by transfer of shares of Biocon Biologics Limited, held by BPL during the year ended March 31, 2024.

20. Trade payables

Trade and other payables		
- total outstanding dues of micro and small enterprises	958	1,491
- total outstanding dues of creditors other than micro and small enterprises*	61,762	36,929
	62,720	38,420

* includes Other payables comprising of allowances for Chargebacks / Discounts / Rebates / Incentives expected to be settled in cash

All trade payable are 'current'. The Group's exposure to currency and liquidity risks related to trade payables is disclosed in Note 36.

Trade payables aging schedule:

March 31, 2024	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
Outstanding dues of micro and small enterprises	-	789	160	4	3	2	958
Outstanding dues of creditors other than micro and small enterprises	43,921	7,089	3,735	6,989	27	1	61,762
	43,921	7,878	3,895	6,993	30	3	62,720

March 31, 2023	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
Outstanding dues of micro and small enterprises	-	648	838	4	1	-	1,491
Outstanding dues of creditors other than micro and small enterprises	22,176	3,907	10,695	52	41	58	36,929
	22,176	4,555	11,533	56	42	58	38,420

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	Year ended March 31, 2024	Year ended March 31, 2023
21. Revenue from contracts with customers		
Sale of products		
Finished goods*	1,04,322	66,564
Traded goods	1,558	9,881
Sale of services		
Contract research and manufacturing services income	34,150	30,839
Licensing and development fees	1,928	2,057
Other operating revenue		
Sale of process waste	448	379
Incentives from government	525	999
Sale of brands #	3,500	-
Others [refer note a below]	1,126	1,023
Revenue from operations	**1,47,557**	**1,11,742**

Biocon Biologics Limited ("BBL") has entered into a agreement with Eris Lifesciences for sale of its business of commercialization of (i) Branded generic immunotherapy and nephrology small molecules formulations being manufactured by third parties under manufacturing agreements and (ii) the in-licensed products in India for consideration of Rs. 3,660 million. The Group has recorded gain of Rs. 3,500 million net of costs of the related underlying assets.

* includes profit share

a) Others include income from support services, rentals by the SEZ Developer and recognition of deferred revenue for assets funded by customers over the useful life.

21.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Year ended March 31, 2024				
	Generics	Biosimilars	Novels	Research	Total
Revenue from contracts with customers					
Sale of products	23,912	81,968	-	-	1,05,880
Sale of services	116	2,290	-	33,672	36,078
	24,028	**84,258**	**-**	**33,672**	**1,41,958**
Revenue from other sources					
Other operating revenue	973	3,925	-	701	5,599
	973	**3,925**	**-**	**701**	**5,599**
Total Revenue from operations	**25,001**	**88,183**	**-**	**34,373**	**1,47,557**

	Year ended March 31, 2023				
	Generics	Biosimilars	Novels	Research	Total
Revenue from contracts with customers					
Sale of products	23,733	52,712	-	-	76,445
Sale of services	-	2,058	192	30,646	32,896
	23,733	**54,770**	**192**	**30,646**	**1,09,341**
Revenue from other sources					
Other operating revenue	827	828	-	746	2,401
	827	**828**	**-**	**746**	**2,401**
Total Revenue from operations	**24,560**	**55,598**	**192**	**31,392**	**1,11,742**

21.2 Changes in contract liabilities - advances from customers and deferred revenues

	March 31, 2024	March 31, 2023
Balance at the beginning of the year	10,225	17,649
Add:- Increase due to invoicing during the year	6,139	10,989
Add:- foreign currency translation	129	710
Less:- Contract liabilities derecognised as pre-existing relationship pursuant to business combination	-	(9,260)
Less:- Amounts recognised as revenue during the year	(7,045)	(9,863)
Balance at the end of the year	**9,448**	**10,225**
Expected revenue recognition from remaining performance obligations:		
- Within one year	6,341	7,324
- More than one year	3,107	2,901
	9,448	**10,225**

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21.3 Contract balances

Trade receivables including unbilled revenue	62,306	35,732
Contract assets	-	-
Contract liabilities	9,448	10,225

Trade receivables are non-interest bearing. Refer note 11 and note 18. Contract liabilities include deferred revenue and advance from customers.

21.4 Performance obligation:

In relation to information about Group's performance obligations in contracts with customers refer note 2(l). The Invoices are issued/generated according to conractual terms/ at the point in time and are usually payable within 30 to 120 days.

21.5 Reconciliation of revenue from contracts with customers

Revenue from contracts with customers as per contract price	**2,94,175**	**1,73,230**
Adjustments made to contract price on account of :-		
a) Chargebacks / Discounts / Rebates / Incentives	(1,50,484)	(62,864)
b) Sales returns/ reversals	(1,733)	(1,025)
Revenue from Contracts with customers as per consolidated statement of profit and loss*	**1,41,958**	**1,09,341**

* Includes revenue from sale of products and sale of services.

Revenues from operations		
Timining of recognition		
Revenue recognised at a point of time	1,09,828	76,824
Revenue recognised over a period of time	37,729	34,918
Total revenue from operations	**1,47,557**	**1,11,742**

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	Year ended March 31, 2024	Year ended March 31, 2023
22. Other income		
Interest income on:		
Deposits with banks and financial institutions	1,495	1,109
Others	118	15
Net gain on sale of current investments	686	416
Net gain on financial assets measured at fair value through profit or loss	1,015	10
Gain on dilution of interest in an associate [refer note 44]	1,053	2,170
Gain on loss of significant influence [refer note 44]	4,254	-
Other non-operating income	34	39
	8,655	**3,759**
23. Cost of materials consumed		
Inventory at the beginning of the year	12,729	8,557
Add: Purchases	49,154	36,083
Less: Inventory at the end of the year	(11,164)	(12,729)
Cost of materials consumed	**50,719**	**31,911**
24. Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Inventory at the beginning of the year		
Stock-in-trade	11,983	255
Finished goods	4,013	3,546
Work-in-progress	13,712	10,624
	29,708	**14,425**
Inventory acquired through business combination [refer Note 42A]	-	13,742
Inventory at the end of the year		
Stock-in-trade	15,895	11,983
Finished goods	8,234	4,013
Work-in-progress	14,146	13,712
	38,275	**29,708**
	(8,567)	**(1,541)**
25. Employee benefits expense		
Salaries, wages and bonus	23,206	18,282
Contribution to provident and other funds	1,046	918
Gratuity [refer note 35]	263	237
Share-based compensation expense [refer note 30]	1,006	1,376
Staff welfare expenses	1,120	997
	26,641	**21,810**
26. Finance costs		
Interest expense on financial liabilities measured at amortised cost	7,492	3799
Interest expense on financial liability measured at FVTPL	1,983	222
Interest on finance lease obligation [refer note 15]	269	169
	9,744	**4,190**

(a) Interest expense on financial liabilities is net of borrowing cost capitalisation amounting to Rs. 4,722 (March 31, 2023 - Rs. 2,474).

27. Depreciation and amortisation expense

Depreciation of property, plant and equipment [refer note 3]	8,929	8,010
Amortisation of intangible assets [refer note 4 (a)]	6,295	2,914
Depreciation of right of use assets [refer note 4 (b)]	464	207
	15,688	**11,131**

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	Year ended March 31, 2024	Year ended March 31, 2023
28. Other expenses		
Royalty and technical fees	87	37
Rent	3	29
Communication expenses	147	143
Travelling and conveyance	1,466	957
Professional charges	5,045	1,875
Transition Support Agreement ('TSA') expense [refer note 42A(j)]	8,804	4,063
Payment to auditors	81	45
Directors' fees including commission	203	151
Power and fuel	3,889	4,148
Insurance	621	588
Rates, taxes and fees	420	436
Lab consumables	1,890	2,688
Repairs and maintenance		
Plant and machinery	4,435	3,573
Buildings	485	397
Others	1,923	1,524
Selling expenses		
Freight outwards and clearing charges	887	551
Sales promotion expenses	1,870	1,482
Commission and brokerage (other than sole selling agents)	209	183
Bad debts written off	11	10
Provision/ (reversal) for doubtful debts, net	(182)	54
Net loss on financial assets/ liabilities measured at fair value through profit or loss	-	618
Printing and stationery	148	130
Loss on sale of assets, net	12	52
Foreign exchange loss, net	523	1,605
Research and development expenses	6,071	6,779
Clinical trial and development expenses	74	111
CSR expenditure	201	202
Miscellaneous expenses	539	433
	39,862	**32,864**
Less: Expenses capitalized to intangible assets	(74)	(758)
	39,788	**32,106**

29. Research and development expenses		
Research and development expenses	6,071	6,779
Lab consumables	1,890	2,688
Employee benefits expense	2,160	1,769
Depreciation	256	216
Other research and development expenses included in other heads	2,075	2,289
	12,452	**13,741**
Less: Recovery of product development costs from co-development partners (net)	(838)	(1,789)
Less: Expenses capitalized to intangible assets	(74)	(758)
	11,540	**11,194**

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30. Employee stock compensation

(a) Biocon ESOP Plan

On September 27, 2001, Biocon's Board of Directors approved the Biocon Employee Stock Option Plan ('ESOP Plan 2000') for the grant of stock options to the employees of the Company and its subsidiaries / joint venture company. The Nomination and Remuneration Committee ('Remuneration Committee') administers the plan through a trust established specifically for this purpose, called the Biocon India Limited Employee Welfare Trust (ESOP Trust).

The ESOP Trust shall make additional purchase of equity shares of the Company using the proceeds from the loan obtained from the Company, other cash inflows from allotment of shares to employees under the ESOP Plan and shall subscribe, when allotted to such number of shares as is necessary for transferring to the employees. The ESOP Trust may also receive shares from the promoters for the purpose of issuance to the employees under the ESOP Plan. The Remuneration Committee shall determine the exercise price which will not be less than the face value of the shares.

Grant VII

In July 2014, the Company approved the grant to its employees under the existing ESOP Plan 2000. The options under this grant would vest to the employees as 10%, 20%, 30% and 40% of the total grant at the end of first, second, third and fourth year from the date of grant, respectively, with an exercise period ending one year from the end of last vesting. The vesting conditions include service terms and performance grade of the employees. These options are exercisable at the closing market price of Company's shares existing on the date preceding to the date of grant.

Particulars	March 31, 2024		March 31, 2023	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	25,750	79	5,89,000	88
Granted during the year	-	-	-	-
Lapses/forfeited during the year	-	-	(18,000)	124
Exercised during the year	(25,750)	79	(4,78,000)	88
Expired during the year	-	-	(67,250)	98
Outstanding at the end of the year	-	-	25,750	79
Exercisable at the end of the year*	-	-	25,750	79
Weighted average remaining contractual life (in years)	-	-	-	-
Weighted average fair value of options granted (Rs)	-	-	-	-
Range of exercise prices for outstanding options at the end of the year	-	-	78-81	-

*These options were exercised by the employees on March 31, 2023 and were allotted subsequently in April 2023.

Grant VIII

In July 2015, the Company approved the grant to its employees under the existing ESOP Plan 2000. The options under this grant would vest to the employees as 10%, 20%, 30% and 40% of the total grant at the end of first, second, third and fourth year from the date of grant, respectively, with an exercise period ending one year from the end of last vesting. The vesting conditions include service terms and performance grade of the employees. These options are exercisable at the closing price as per National Stock Exchange as on the last day of the month preceding the month of first grant.

Particulars	March 31, 2024		March 31, 2023	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	-	-	1,05,000	76
Granted during the year	-	-	-	-
Lapses/forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	(1,05,000)	76
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	-
Weighted average fair value of options granted (Rs)	-	-	-	-
Range of exercise prices for outstanding options at the end of the year	-	-	-	-

Grant IX

In June 2016, the Company approved the grant to its employees under the existing ESOP Plan 2000. The options under this grant would vest to the employees as 10%, 20%, 30% and 40% of the total grant at the end of first, second, third and fourth year from the date of grant, respectively, with an exercise period ending one year from the end of last vesting. The vesting conditions include service terms and performance grade of the employees. These options are exercisable at 50% of the closing price as per National Stock Exchange as on the preceding day to the date of grant.

Particulars	March 31, 2024		March 31, 2023	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	22,96,917	131	34,46,204	125
Granted during the year	-	-	-	-
Lapses/forfeited during the year	(2,52,375)	135	(4,73,752)	119
Exercised during the year	(7,52,362)	115	(6,75,535)	107
Expired during the year	-	-	-	-
Outstanding at the end of the year	12,92,180	140	22,96,917	131
Exercisable at the end of the year	5,31,055	118	3,38,417	111
Weighted average remaining contractual life (in years)	1.5	-	2.2	-
Weighted average fair value of options granted (Rs)	-	-	-	-
Range of exercise prices for outstanding options at the end of the year	77-173	-	76-173	-

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30. Employee stock compensation (continued)

Grant X

In June 2016, the Company approved the grant to its employees under the existing ESOP Plan 2000. The options under this grant would vest to the employees as 10%, 20%, 30% and 40% of the total grant at the end of first, second, third and fourth year from the date of grant, respectively, with an exercise period ending one year from the end of last vesting. The vesting conditions include service terms and performance grade of the employees. These options are exercisable at 50% of the closing price as per National Stock Exchange as on the the preceding day to the date of grant.

Particulars	March 31, 2024		March 31, 2023	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	13,46,649	154	26,31,874	151
Granted during the year	-	-	-	-
Lapses/forfeited during the year	(55,500)	116	(52,500)	125
Exercised during the year	(12,91,149)	156	(12,32,725)	148
Expired during the year	-	-	-	-
Outstanding at the end of the year	-	-	13,46,649	154
Exercisable at the end of the year	-	-	13,46,649	154
Weighted average remaining contractual life (in years)	-	-	0.4	-
Weighted average fair value of options granted (Rs)	-	-	-	-
Range of exercise prices for outstanding options at the end of the year	-	-	83-156	-

The average market price of the Company's share during the year ended March 31, 2024 is Rs 248 (March 31, 2023 - Rs 289) per share.

(b) RSU Plan 2015

On March 11, 2015, Biocon's Remuneration Committee approved the Biocon - Restricted Stock Units (RSUs) of Syngene ('RSU Plan 2015') for the grant of RSUs to the employees of the Company and its subsidiaries other than Syngene. The Remuneration Committee administers the plan through a trust, called the Biocon Limited Employee Welfare Trust. For this purpose, on March 31, 2015, the Company transferred 2,000,000 equity shares of Syngene to Biocon Limited Employees Welfare Trust.

In April 2015, the Company approved the grant to its employees under the RSU Plan 2015. The RSUs under this grant would vest to the employees as 10%, 20%, 30% and 40% of the total grant at the end of first, second, third and fourth year from the date of grant, respectively, with an exercise period ending one year from the end of last vesting. The vesting conditions include service terms and performance grade of the employees. Exercise price of RSUs will be Nil.

Particulars	March 31, 2024		March 31, 2023	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	11,504	-	1,03,758	-
Granted during the year	-	-	-	-
Lapses/forfeited during the year	(11,504)	-	-	-
Exercised during the year	-	-	(87,286)	-
Expired during the year	-	-	(4,968)	-
Outstanding at the end of the year	-	-	11,504	-
Exercisable at the end of the year	-	-	11,504	-
Weighted average remaining contractual life (in years)	-	-	0.4	-
Weighted average fair value of options granted (Rs)	-	-	-	-

(c) RSU Plan 2019

On January 7, 2019, Biocon's Nomination and Remuneration Committee ('NRC') and the Board of Directors approved the Biocon Biologics - Restricted Stock Units (RSUs) of Biocon Biologics Limited ('RSU Plan 2019') for grant of RSUs to employees of the Group. The NRC administers the plan though a trust called, Biocon Limited Employee Welfare Trust. For this purpose on January 8, 2020, the Company transferred 2,161,904 equity shares of Biocon Biologics Limited to Biocon Limited Employee Welfare Trust.

During the year modification in vesting was approved by NRC. Based on revised approval, 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.

Particulars	March 31, 2024		March 31, 2023	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	61,69,619	2	70,03,007	2
Granted during the year	-	-	-	-
Lapses/forfeited during the year	(10,26,365)	2	(8,33,388)	2
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	51,43,254	2	61,69,619	2
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years)	4	-	5	-
Weighted average fair value of options granted (Rs)	-	-	-	-

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(d) RSU Plan 2020

On May 14, 2020, Biocon's Nomination and Remuneration Committee ('NRC') and the Board of Directors approved the Biocon Restricted Stock Units (RSUs) Long Term Incentive Plan Financial Year 2020-24 ("RSU Plan 2020") for grant of RSUs to present and/or future employees of the Company and its present and future subsidiary companies. The plan is implemented though a trust called, Biocon India Limited Employee Welfare Trust wherein the Company will issue shares to the trust by way of fresh allotment over a period of time.

The RSUs granted under this Plan shall vest over a period of time (service condition) and based upon the performance of the employee. The period of vesting shall be determined as per the date of grant and the maximum period of vesting shall not extend beyond August 1, 2024. The actual number of RSUs to be vested each year for each Grantee shall be based on his individual performance conditions, the key parameters of which shall be measured through growth in revenue and profits, delivering on key strategic initiatives and shareholders' value creation and such other conditions as may be determined by the Managing Director and Chief Executive Officer of the Company in accordance with the overall terms set by the NRC.

Particulars	March 31, 2024		March 31, 2023	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	17,29,983	5	25,14,976	5
Granted during the year	7,13,500	5	43,709	5
Lapses/forfeited during the year	(2,64,125)	5	(3,06,915)	5
Exercised during the year	(7,47,889)	5	(5,21,787)	5
Expired during the year	-	-	-	-
Outstanding at the end of the year	14,31,469	5	17,29,983	5
Exercisable at the end of the year	4,48,817	-	2,57,218	5
Weighted average remaining contractual life (in years)	1.8	-	2.4	-
Weighted average fair value of options granted (Rs)	353	-	377	-

Assumptions used in determination of the fair value of the stock options under the Black Scholes Model for grants during the year are as follows:

Particulars	March 31, 2024	March 31, 2023
Weighted Average Exercise Price	5	5
Expected volatility	33.0% to 36.2%	33.0% to 36.2%
Life of the options granted (vesting and exercise period) in years	0.75	4.03
Average risk-free interest rate	7.2%	5.6%
Expected dividend rate	0.6%	0.6%

(e) Syngene ESOP Plan 2011

On July 20, 2012, Syngene Employee Welfare Trust ('Trust') was created for the welfare and benefit of the employees and directors of Syngene and administered by the Nomination and Remuneration Committee. The Board of Directors approved the employee stock option plan of Syngene. On October 31, 2012, the Trust subscribed into the equity shares of the Syngene using the proceeds from interest free loan of Rs. 150 obtained from Syngene.

Grant

Pursuant to the Scheme, Syngene has granted options to eligible employees of the Company under Syngene Employee Stock Option Plan - 2011. Each option entitles for one equity share. The options under this grant will vest to the employees as 25%, 35% and 40% of the total grant at end of second, third and fourth year from the date of grant, respectively, with an exercise period of three years for each grant. The vesting conditions include service terms and performance of the employees. These options are exercisable at an exercise price of Rs. 11.25 [March 31, 2023 : Rs. 11.25] per share (Face Value of Rs. 10 per share).

Details of Grant

Particulars	March 31, 2024	March 31, 2023
	No of Options	No of Options
Outstanding at the beginning of the year	6,10,191	13,42,140
Granted during the year	-	-
Lapses/forfeited during the year	(6,306)	(30,883)
Exercised during the year	(4,69,762)	(7,01,066)
Outstanding at the end of the year	1,34,123	6,10,191
Exercisable at the end of the year	61,472	5,49,377
Weighted average exercise price	11.25	11.25
Weighted average share price at the date of exercise (In Rs)	745.7	572.7

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2024 is 3 years [March 31, 2023- 4 years].

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30. Employee stock compensation (continued)

(f) Syngene Restricted Stock Unit Long Term Incentive Plan 2020

The Board of Directors of Syngene on April 24, 2019 and the Shareholders of the Company in the Annual General Meeting held on July 24, 2019 approved the Syngene Restricted Stock Unit Long Term Incentive Plan FY 2020. Each option entitles for one equity share. The options under this grant will vest to the employees as 25%, 25%, 25% and 25% of the total grant at the end of first, second, third and fourth year from the date of first grant, respectively, with an exercise period of 5 years for each grant. The vesting conditions include service terms and performance of the employees. These options are exercisable at an exercise price of Rs. 10 per share (Face Value of Rs. 10 per share).

Details of Grant

Particulars	March 31, 2024	March 31, 2023
	No of Options	No of Options
Outstanding at the beginning of the year	15,73,842	26,27,537
Granted during the year	38,032	89,704
Lapses/forfeited during the year	(1,28,203)	(3,26,215)
Exercised during the year	(6,41,587)	(8,17,184)
Outstanding at the end of the year	8,42,084	15,73,842
Exercisable at the end of the year	5,61,068	5,05,928
Weighted average exercise price	10	10
Weighted average fair value of shares granted during the year under Black Scholes Model (In Rs)	584.50	570.01
Weighted average share price at the date of exercise (In Rs)	659.80	569.78

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2024 is 3.34 years [March 31, 2023 - 4 years].

Assumptions used in determination of the fair value of the stock options under the Black Scholes Model are as follows:

Particulars	March 31, 2024	March 31, 2023
Dividend yield (%)	0.0%	0.0%
Exercise Price (In Rs)	10	10
Expected volatility	30.4%	30.4%
Life of the options granted (vesting and exercise period) in years	3.5	4.5
Average risk-free interest rate	7.2%	7.3%

(g) Syngene Long Term Incentive Performance Share Plan 2023

The Board of Directors of Syngene on 22 March 2023 and the Shareholders of the Syngene on 23 April 2023 approved the Syngene Long Term Incentive Performance Share Plan 2023. Each option entitles for one equity share. The plan comprises of 3 metrics basis which performance is evaluated and the units shall vest on 31 May after the close of the third financial year for which the performance is being considered i.e. 31 May 2025, with an exercise period of 5 years for each grant. The vesting conditions include service terms of the employees. These options are exercisable at an exercise price of Rs. 10 per share (Face Value of Rs. 10 per share).

Details of Grant

Particulars	March 31, 2024	March 31, 2023
	No of Options	No of Options
Outstanding at the beginning of the year	-	-
Granted during the year	2,58,254	-
Lapses/forfeited during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	2,58,254	-
Exercisable at the end of the year	-	-
Weighted average exercise price	-	-
Weighted average fair value of shares granted during the year under Black Scholes Model (In Rs)	905.71	-
Weighted average share price at the date of exercise (In Rs)	-	-

The weighted average remaining contractual life for the stock options outstanding as at 31 March 2024 is 1.17 years [31 March 2023 : Nil].

Assumptions used in determination of the fair value of the stock options under the Black Scholes Model are as follows:

Particulars	March 31, 2024	March 31, 2023
Dividend yield (%)	0.0%	0.0%
Exercise Price (In Rs)	10	10
Expected volatility	26.2%	30.4%
Life of the options granted (vesting and exercise period) in years	6.17	4.5
Average risk-free interest rate	7.1%	7.3%

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30. Employee stock compensation (continued)

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

On July 21, 2021, Board of Directors of Biocon Biologics Limited ("BBL") approved the Biocon Biologics Limited Restricted Stock Units Long Term Incentive Plan FY 2022-24 ('RSU Plan') for the grant of Restricted stock units to the employees of BBL 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 (ESOP Trust).

In August 2021, based on the approval of the Board of BBL, BBL 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. Where the grant is made after August 01, 2021 and before July 31, 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 after August 1, 2022 and before March 31, 2023, 100% would vest in one year from the date of grant. 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.

Details of Grant

Particulars	March 31, 2024		March 31, 2023	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	56,37,231	10	51,42,857	10
Granted during the year	18,73,818	10	13,15,802	10
Lapses/forfeited during the year	(6,60,462)	10	(8,05,518)	10
Exercised during the year	(33,590)	10	(15,911)	10
Expired during the year	-	-	-	-
Outstanding at the end of the year	68,16,997	10	56,37,231	10
Exercisable at the end of the year	29,54,271	10	12,72,862	10
Weighted average remaining contractual life (in years)	3.6	-	4.3	-
Weighted average fair value of options granted (Rs)	240.4	-	214.3	-

Assumptions used in determination of the fair value of the stock options under the option pricing model for the grants during the year are as follows:

Particulars	March 31, 2024	March 31, 2023
Dividend yield (%)	0.0%	0.0%
Exercise Price (In Rs)	10	10
Expected volatility	31.3% - 32.2%	39.9% - 43.5%
Life of the options granted (vesting and exercise period) in years	4	5
Average risk-free interest rate	7.0% - 7.2%	5.4% - 6.7%

(i) Biocon Biologics Limited Restricted Stock Units Long Term Incentive Plan FY 2023

On February 22, 2023, Board of Directors of the Company approved the Biocon Biologics Limited Restricted Stock Units Long Term Incentive Plan FY 2023 ('RSU Plan 2023') 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 (ESOP 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. These options are exercisable at Rs. 10 per RSU.

Details of Grant

Particulars	March 31, 2024		March 31, 2023	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	20,39,997	10	-	-
Granted during the year	9,550	10	20,39,997	10
Lapses/forfeited during the year	(4,66,927)	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	15,82,620	10	20,39,997	10
Exercisable at the end of the year	3,93,268	10	-	-
Weighted average remaining contractual life (in years)	3.9	-	5.0	-
Weighted average fair value of options granted (Rs)	241.4	-	229.3	-

Assumptions used in determination of the fair value of the stock options under the option pricing model for the grants during the year are as follows:

Particulars	March 31, 2024	March 31, 2023
Dividend yield (%)	0.0%	0.0%
Exercise Price (In Rs)	10	10
Expected volatility	39.5% - 44.7%	39.5% - 44.7%
Life of the options granted (vesting and exercise period) in years	5	5
Average risk-free interest rate	7.1% - 7.4%	7.1% - 7.4%

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30. Employee stock compensation (continued)

Particulars	March 31, 2024	March 31, 2023
Summary of movement in respect of shares held by ESOP Trust is as follows:		
Opening balance	66,12,268	75,20,315
Add: Shares purchased by the ESOP trust	-	20,00,000
Add: Shares issued by the Company	-	-
Less: Shares exercised by employees	(28,17,150)	(29,08,047)
Closing balance	**37,95,118**	**66,12,268**
Options granted and eligible for exercise at end of the year	9,79,872	19,68,034
Options granted but not eligible for exercise at end of the year	17,42,498	34,31,265
Summary of movement in respect of equity shares of Syngene held by the RSU Trust is as follows:		
Opening balance	10,91,447	11,78,733
Less: Shares exercised by employees	-	(87,286)
Less: Shares sold by the RSU Trust	-	-
Closing balance	**10,91,447**	**10,91,447**
Options granted and eligible for exercise at end of the year	-	11,504
Options granted but not eligible for exercise at end of the year	-	-
Summary of movement in respect of equity shares of Biocon Biologics Limited held by the RSU Trust is as follows:		
Opening balance*	1,08,09,520	1,08,09,520
Add: Shares purchased by the RSU Trust from Biocon Limited	-	-
Closing balance	**1,08,09,520**	**1,08,09,520**
Options granted but not eligible for exercise at end of the year	51,43,254	61,69,619
*adjusted for the effect of bonus shares		

31. Earnings per share ('EPS')

Earnings		
Profit for the year attributable to the shareholders of the Company		
Profit for the year	**10,225**	**4,627**
Shares		
Basic outstanding shares	1,20,06,00,000	1,20,06,00,000
Less: Weighted average shares held with the ESOP Trust	(51,71,187)	(75,04,055)
Weighted average shares used for computing basic EPS	**1,19,54,28,813**	**1,19,30,95,945**
Add: Effect of dilutive options granted but not yet exercised / not yet eligible for exercise	14,41,689	28,29,645
Weighted average shares used for computing diluted EPS	**1,19,68,70,502**	**1,19,59,25,590**
Earnings per equity share		
Basic (in Rs)	8.55	3.88
Diluted (in Rs)	8.54	3.87

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32. Exceptional items (net)

a. During the year ended March 31, 2023, Biocon Pharma Limited, a subsidiary of the Company, had obtained Inter-Corporate Deposit ('ICD') from Serum Institute Life Sciences Private Limited ("SILS"), amounting to Rs. 12,400. During the year ended March 31, 2024, the aforesaid loan has been settled by transfer of BBL's equity shares held by BPL (including shares purchased from the Company during the year) to SILS.
Pursuant to above transfer of BBL's shares to SILS, the Group recorded a gain on stake dilution in its subsidiary within other equity in the consolidated financial statement since there is no loss of control.

b Pursuant to the acquisition of Viatris' biosimilars business, as mentioned in note 42A, the Group also reassessed the value of certain licensed products for development and commercialization and recorded an impairment of certain intangible assets amounting to Rs. 470. The impairment has been recognized as an exceptional item in the year ended March 31, 2023. Consequential tax impact of Rs. 62 is included within tax expense for the year.

c. During the year ended March 31, 2023, the Company had sold 61,789,164 equity shares of Rs. 10 each of Syngene in the open market. The sale proceeds arising from such sale of aforesaid equity shares net of amount transferred to Non Controlling Interest account, was accounted in other equity since there is no loss of control.

d. On 04 July 2023, the Syngene had entered into a binding term sheet for acquiring Unit 3 biologics manufacturing facility in Bangalore, India, from Stelis Biopharma Limited (SBL), as more fully described in Note 42B. Pursuant to above acquisition, Syngene has incurred transaction costs of Rs 111 for the year ended March 31, 2024 and the same has been presented as an expense under the head 'Exceptional items' in the consolidated financial statements for the year. Consequential tax impact of Rs. 31 is included in tax expense for the year ended March 31, 2024.

e The Department of Pharmaceuticals ('DOP'), via Corrigendum dated October 20, 2023, has modified the PLI guidelines to limit the annual incentive allocation to each applicant for the first 4 years of the scheme. Pursuant to such guidelines, during the year ended March 31, 2024, the Group has reversed Rs. 166 of excess PLI accrual made in the books for the year ended March 31, 2023, These have been presented under 'exceptional items' in the consolidated financial statements of the Company. Consequential tax impact of Rs. 22 is included in tax expense for the year ended March 31, 2024.

f. BBL had obtained services of professional experts (like advisory, legal counsel, valuation experts etc.) for the transactions referred to in note 42A. The Group recorded Rs. 1,582 million in the year ended March 31, 2024 as an expense in the consolidated statement of profit and loss under the head 'Exceptional items'. Consequential tax impact of Rs. 80 is included within tax expense for the year. Similarly, Rs. 2,374 is recorded in the year ended March 31, 2023. Consequential tax impact of Rs. 231 is included within tax expense for the year.

g. During the year ended March 31, 2024, one of the subsidiaries of Biocon Biologics Limited ("BBL") had received Rs. 18,269 towards working capital under the existing arrangements. BBL had recorded these receivables at fair value of Rs. 10,219 having regard to the timing and probability of recovery. The resulting difference of Rs. 8,050 is recorded as a gain in the consolidated financial statements under the head 'Exceptional Item'. Consequential tax impact of Rs. 407 is included within tax expense for year ended March 31, 2024.

h. During the year ended March 31, 2024, one of the subsidiaries of Biocon Biologics Limited ("BBL") on pursuant to the uncertainty of ability to commercialize a product for development and commercialization in certain territories, the Group recorded an impairment of the carrying value of the intangible asset amounting Rs. 3,854 that has been disclosed in the consolidated financial statements under the head 'Exceptional Item'.

i. During the year ended March 31, 2024, one of the subsidiaries of Biocon Biologics Limited ("BBL") has recorded provision for inventory for a product due to its low demand and consequentially lower probability of liquation amounting Rs. 2,366. This has been recorded in the consolidated statement of profit and loss under the head 'Exceptional Item'. Consequential tax impact of Rs. 296 is included within tax expense.

j. During the year ended March 31, 2024, on pursuant to the uncertainty of ability to commercialize a product for development and commercialization in certain territories, the Group recorded an impairment of the carrying value of the intangible asset amounting Rs. 91 that has been disclosed in the consolidated statement of profit and loss under the head 'Exceptional Item'.

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33. Related party transactions

List of related parties with whom the Group had transactions during the year:

Name of related parties	Nature of relationship
Key management personnel	
Kiran Mazumdar Shaw	Executive Chairperson
Siddharth Mittal	Managing Director & Chief Executive Officer
Indranil Sen	Chief Financial Officer (upto March 14, 2024)
Mayank Verma	Company Secretary
Daniel Mark Bradbury	Independent director (Upto July 27, 2022)
Mary Harney	Independent director (Upto July 27, 2022)
Vijay Kumar Kuchroo	Independent director (Upto July 26, 2023)
Meleveetil Damodaran	Independent director
Bobby Kanubhai Parikh	Independent director
Ravi Rasendra Mazumdar	Non-executive director
Eric Vivek Mazumdar	Non-executive director
Naina Lal Kidwai	Independent director (w.e.f April 28, 2022)
Peter John Bains	Independent director (w.e.f December 12, 2022 upto September 18, 2023)
Peter John Bains	Group Chief Executive Officer (w.e.f. September 18, 2023)
Rekha Mehrotra Menon	Independent director (w.e.f July 26, 2023)
Nicholas Hagger	Independent director (w.e.f September 01, 2023)
Associate	
Bicara Therapeutics Inc.	Associate (upto December 12th, 2023)
Joint Ventures	
NeoBiocon FZ LLC	Joint-venture
Other related parties	
Mylan Inc. (w.e.f November 29, 2022)	Investor which has significant influence over a subsidiary
Biocon Foundation	Trust in which key management personnel are the Board of Trustees
Immuneel Therapeutics Private Limited	Enterprise in which a director of the Company is a member of board of directors
Bicara Therapeutics Inc.	Enterprise in which a director of the Company is a member of board of directors (w.e.f. December 13, 2023)
Mazumdar Shaw Medical Foundation	Trust in which key management personnel are the Board of Trustees
Glentec International Limited	Enterprise owned by key management personnel
Catherine Rosenberg	Relative of a director
Claire Mazumdar	Relative of a director
Jeeves	Enterprise in which relative to a director of the Company is proprietor
Narayana Hrudayalaya Limited	Enterprise in which a director of the Company is a member of board of directors

The Group has the following related party transactions

Particulars	Transactions / Balances	March 31, 2024	March 31, 2023
Key management personnel	Salary and perquisites [refer note (a) & (b) below]	199	123
	Sitting fees and commission	63	78
	Outstanding as at the year end:		
	- Trade and other payables	3	4
Associate	Sale of services	1,195	630
	Cross charges towards facility and other expenses	-	19
	Outstanding as at the year end:		
	- Trade and other receivables	190	631
	- Allowance for expected credit loss	-	397
Joint Venture	Purchase of goods	47	167
	Sales promotion and other expenses	18	10
	Outstanding as at the year end:		
	- Trade and other payables	301	374
Other related parties	Sale of goods	46	53
	Sale of services	8	-*
	Expense cross charge in relation to Transition Support Agreement ('TSA') [refer note 42A(j)] ^	10,924	5,503
	Revaluation of investment	94	-
	Expenses incurred by related party on behalf of the Company	130	-
	Health services availed	-	3
	CSR Expenditure	198	166
	Other expenses	69	64
	Outstanding as at the year end:		
	- Trade and other receivables	10	22
	- Deferred consideration payable	27,423	27,587
	- Contingent consideration payable	7,426	6,583
	- Contingent consideration receivable	750	8,993
	- Trade and other payables	-	553

* Amounts are not represented since the amounts are rounded off to Rupees million.
^ For closing receivables and payable balances arising from business combination, refer note 6(a) and note 16.

(a) The remuneration to key management personnel doesn't include the provisions made for gratuity and compensated absences amounting to Rs 13 (March 31, 2023: Rs 4), as they are obtained on an actuarial basis for the Company as a whole.

(b) Share-based compensation expense allocable to key management personnel is Rs 59 (March 31, 2023 - Rs 75) which is not included in the remuneration disclosed above.

(c) The above disclosures include related parties as per Ind AS 24 on "Related Party Disclosures".

(d) All transactions with these related parties are priced on an arms length basis and none of the balances are secured.

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	March 31, 2024	March 31, 2023
34. Contingent liabilities and commitments		
(to the extent not provided for)		
(i) Contingent liabilities:		
(a) Claims against the Company not acknowledged as debt	11,356	9,478
The above includes:		
(i) Direct taxation	9,337	8,249
(ii) Indirect taxation (includes matters pertaining to disputes on central excise, custom duty and service tax)	1,671	881
(iii) Other matters	348	348

In light of recent judgment of Honorable Supreme Court dated February 28, 2019 on the definition of "Basic Wages" under the Employees Provident Funds & Misc. Provisions Act, 1952 and based on Group's evaluation, there are significant uncertainties and numerous interpretative issues relating to the judgement and hence it is unclear as to whether the clarified definition of Basic Wages would be applicable prospectively or retrospectively. The amount of the obligation therefore cannot be measured with sufficient reliability for past periods and hence has currently been considered to be a contingent liability in one of its subsidiary.

The Group 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 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 Group 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 are not tenable and will not have any material adverse effect on the Group's financial position and results of operations.

(b) Guarantees		
Guarantees given by banks on behalf of the Group for contractual obligations of the Group	50	-
(ii) Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances		
- Towards property plant and equipments	14,588	10,431
- Towards others	-	-

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35. Employee benefit plans

(i) The Group has a defined benefit gratuity plan as per the 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 primarily a funded plan and the Group makes contributions to a recognised fund in India.

The plan assets are maintained with HDFC Life Insurance Company Limited (HDFC Life) in respect of gratuity scheme for employees of the Group. The details of investments maintained by the HDFC Life are not available with the Group and not disclosed. The expected rate of return on plan assets is 7.3% p.a. (March 31, 2023: 7.3% p.a.). The Group actively monitors how the duration and expected yield of the investments are matching the expected outflows arising from the employee benefit obligations.

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. Actuarial valuations involve making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to these complexity involved in the valuation it is highly sensitive to the changes in these assumptions. All assumptions are reviewed at reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

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 Group's financial statements as at balance sheet date:

Particulars	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/liability
Balance as on April 01, 2023	**1,308**	**(7)**	**1,301**
Current service cost	169	-	169
Interest expense / (income)	95	(1)	94
Amount recognised in Statement of profit and loss	**264**	**(1)**	**263**
Remeasurements:			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
Actuarial (gain) / loss arising from:			
Demographic assumptions	-	-	-
Financial assumptions	9	-	9
Experience adjustment	72	-	72
Amount recognised in other comprehensive income	**81**	**-**	**81**
Employers contribution	(8)	-	(8)
Benefits paid	(138)	-	(138)
Balance as at March 31, 2024	**1,507**	**(8)**	**1,499**

Particulars	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/liability
Balance as on April 01, 2022	**1,238**	**(7)**	**1,231**
Current service cost	163	-	163
Interest expense / (income)	74	-	74
Amount recognised in Statement of profit and loss	**237**	**-**	**237**
Remeasurements:			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
Actuarial (gain) / loss arising from:			
Demographic assumptions	(11)	-	(11)
Financial assumptions	(102)	-	(102)
Experience adjustment	75	-	75
Amount recognised in other comprehensive income	**(38)**	**-**	**(38)**
Employers contribution	-	-	-
Benefits paid	(129)	-	(129)
Balance as at March 31, 2023	**1,308**	**(7)**	**1,301**

Particulars	March 31, 2024	March 31, 2023
Non-current	1,101	1,034
Current	398	267
	1,499	**1,301**

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35. Employee benefit plans (continued)

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

	March 31, 2024	March 31, 2023
Interest rate	7.2%	7.3%
Discount rate	7.2%	7.3%
Expected return on plan assets	7.3%	7.3%
Salary increase	9% - 10%	8% - 10%
Attrition rate	14% - 30%	8% - 30%
Retirement age - Years	58	58

Assumptions regarding future mortality experience are set in accordance with published statistics and mortality tables as per IALM (2012-14)

The weighted average duration of Group's defined benefit obligation was 6-9 years (March 31, 2023 - 6-9 years).

These defined benefit plans expose the Group to actuarial risks, such as longevity and interest rate risk.

(iii) Sensitivity analysis

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis does not recognise the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions are as below:

Particulars	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% change)	(65)	72	(60)	67
Salary increase (1% change)	70	(65)	65	(60)
Attrition rate (1% change)	(10)	11	(9)	9

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 the cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

As of March 31, 2024 and March 31, 2023, the plan assets have been invested in insurer managed funds and the expected contribution to the fund during the year ending March 31, 2025, is approximately Rs 129 (March 31, 2024 - Rs 147).

Maturity profile of defined benefit obligation

Particulars	March 31, 2024	March 31, 2023
1st Following year	128	209
2nd Following year	107	163
3rd Following year	135	153
4th Following year	93	147
5th Following year	95	139
Years 6 to 10	609	759
Years 11 and above	198	448

(iv) Risk Exposure

These defined benefit plans typically expose the Group to actuarial risks as under:

a) Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

b) Interest rate risk: A decrease in bond interest rate will increase the plan liability.

c) Longevity risk: The present value of the defined plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy will increase the plan's liability.

d) Salary risk: Higher than expected increase in salary will increase the defined benefit obligation.

(v) Other Long term benefits

Present value of other long term benefits (i.e compensated absences) obligations at the end of the year :

Particulars	March 31, 2024	March 31, 2023
Compensated absences	1,261	935

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36. Financial instruments: Fair value and risk managements

A. Accounting classification and fair values

	Carrying amount					Fair value			
March 31, 2024	**FVTPL**	**FVTOCI**	**Amortised Cost**	**FVTOE***	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets									
Non-current investments	264	6,573	4	-	6,841	418	-	6,419	6,837
Derivative assets	-	4,041	-	-	4,041	-	4,041	-	4,041
Current investments	3,156	-	-	-	3,156	3,156	-	-	3,156
Trade receivables	-	-	62,306	-	62,306	-	-	-	-
Cash and cash equivalents	-	-	12,336	-	12,336	-	-	-	-
Other bank balances	-	-	10,251	-	10,251	-	-	-	-
Other financial assets	750	-	6,485	-	7,235	-	-	750	750
	4,170	**10,614**	**91,382**	**-**	**1,06,166**	**3,574**	**4,041**	**7,169**	**14,784**
Financial liabilities									
Borrowings	18,324	-	1,38,972	-	1,57,296	-	-	18,324	18,324
Trade payables	-	-	62,720	-	62,720	-	-	-	-
Derivative liabilities	-	12	-	-	12	-	12	-	12
Other financial liabilities	7,426	-	35,286	18,018	60,730	-	-	25,444	25,444
Lease liabilities	-	-	5,471	-	5,471	-	-	-	-
	25,750	**12**	**2,42,449**	**18,018**	**2,86,229**	**-**	**12**	**43,768**	**43,780**

	Carrying amount					Fair value			
March 31, 2023	**FVTPL**	**FVTOCI**	**Amortised Cost**	**FVTOE***	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets									
Non-current investments	174	491	5,380	-	6,045	120	-	545	665
Derivative assets	-	2,158	-	-	2,158	-	2,158	-	2,158
Current investments	4,443	-	8,822	-	13,265	4,443	-	-	4,443
Trade receivables	-	-	35,732	-	35,732	-	-	-	-
Cash and cash equivalents	-	-	13,235	-	13,235	-	-	-	-
Other bank balances	-	-	10,766	-	10,766	-	-	-	-
Other financial assets^	8,993	-	3,158	-	12,151	-	-	8,993	8,993
	13,610	**2,649**	**77,093**	**-**	**93,352**	**4,563**	**2,158**	**9,538**	**16,259**
Financial liabilities									
Borrowings	10,922	-	1,66,785	-	1,77,707	-	-	10,922	10,922
Trade payables	-	-	39,831	-	39,831	-	-	-	-
Derivative liabilities	-	844	-	-	844	-	844	-	844
Other financial liabilities^	6,583	-	30,241	14,039	50,863	-	-	20,622	20,622
Lease liabilities	-	-	2,481	-	2,481	-	-	-	-
	17,505	**844**	**2,39,338**	**14,039**	**2,71,726**	**-**	**844**	**31,544**	**32,388**

*Refer note 16 for measurement of non current financial liabilities carried at fair value through other equity (FVTOE).
^ Refer note 42 for assets and liabilities arising from business combination

(a) The fair value of trade receivables, trade payables 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) There have been no transfers between level 1, 2 and 3 needs to be made.
(c) The Group enters into derivative financial instruments with various counterparties. Derivatives are valued using valuation techniques in consultation with market expert. The most frequently applied valuation technique include forward pricing, swap models and Black Scholes Merton Model (for options valuation), using present value calculations. The models incorporate various inputs including foreign exchange forward rates, interest rate curve and forward rates curve.

B. Measurement of fair values

Fair value of liquid investments are based on quoted price. Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place. Contingent consideration arising from business acquisition and Non-Convertible Debentures are valued based on option pricing models, as disclosed in note 36(C).

Sensitivity analysis

For the fair values of derivative contracts of foreign currencies, reasonably possible changes at the reporting date to one of the significant observable inputs, holding other inputs constant, would have the following effects in other comprehensive income (OCI).

	March 31, 2024 Impact on other components of equity		**March 31, 2023 Impact on other components of equity**	
Significant observable inputs	**Increase**	**Decrease**	**Increase**	**Decrease**
Spot rate of the foreign currency (1% movement)	(617)	595	(825)	730
Interest rates (100 bps movement)	840	(840)	202	(202)

Fair value of the forward foreign contracts are determined using spot and forward exchange rates at the balance sheet dates.

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36. Financial instruments: Fair value and risk managements (continued)

C. Significant Unobservable Inputs used in Level 3 Fair Values

As at March 31, 2024	Valuation Techniques	Significant unobservable inputs	Sensitivity of input to fair value measurement
a) Contingent consideration receivable (refer note 42A)	Binomial Option Pricing Model - using risk free discount rate and growth rate.	a) Discount rate	A 1% increase in discount rate would have led to approximately Rs. 17 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 17 loss in Statement of Profit and loss.
		b) Volatility rate	A 5% increase in volatility rate would have led to approximately Rs. 46 loss in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 52 gain in Statement of Profit and loss.
b) Contingent consideration payable (refer note 42A)	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. 231 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 233 loss in Statement of Profit and loss.
		b) Volatility rate	A 5% increase in volatility rate would have led to approximately Rs. 114 gain in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 76 loss in Statement of Profit and loss.
c) Non Convertible Debentures [refer note 14(I)]	Binomial Option Pricing Model - using risk free discount rate and growth rate.	a) Discount rate	A 1% increase in discount rate would have led to approximately Rs. 305 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 313 loss in Statement of Profit and loss.
		b) Volatility rate	A 5% increase in volatility rate would have led to approximately Rs. 6 gain in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 4 loss in Statement of Profit and loss.

As at March 31, 2023	Valuation Techniques	Significant unobservable inputs	Sensitivity of input to fair value measurement
a) Contingent consideration receivable (refer note 42A)	Binomial Option Pricing Model - using risk free discount rate and growth rate.	a) Discount rate	A 1% increase in discount rate would have led to approximately Rs. 100 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 107 loss in Statement of Profit and loss.
		b) Volatility rate	A 5% increase in volatility rate would have led to approximately Rs. 467 loss in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 530 gain in Statement of Profit and loss.
b) Contingent consideration payable (refer note 42A)	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. 265 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 268 loss in Statement of Profit and loss.
		b) Volatility rate	A 5% increase in volatility rate would have led to approximately Rs. 78 gain in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 365 loss in Statement of Profit and loss.
c) Non Convertible Debentures [refer note 14(I)]	Binomial Option Pricing Model - using risk free discount rate and growth rate.	a) Discount rate	A 1% increase in discount rate would have led to approximately Rs. 228 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 235 loss in Statement of Profit and loss.
		b) Volatility rate	A 5% increase in volatility rate would have led to approximately Rs. 35 gain in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 36 loss in Statement of Profit and loss.

D. Reconciliation of Level 3 fair values

	Non-current investments	Contingent consideration receivable	Contingent consideration payable	Non Convertible Debentures [refer note 14(I)]	Gross liability on written put options [refer note 16(a)(i)]
At April 01, 2022	408	-	-	-	15,033
Assumed in a business combination [refer note 42]	-	10,251	7,366	-	-
Investment made in the current year	29	-	-	-	-
Proceeds from Issue	-	-	-	10,700	
Gain/loss included in Statement of Profit and loss					
- Net change in fair value loss (unrealised)	108	(1,323)	-	222	-
- Net change in fair value gain (unrealised)	-	-	(783)	-	(994)
Foreign currency translation adjustment	-	65	-	-	-
At March 31, 2023	**545**	**8,993**	**6,583**	**10,922**	**14,039**
Investment made in the current year	130	-	-	-	3,000
Proceeds from Issue		-	-	5,000	-
- Net change in fair value loss (unrealised)	-	-	843	2,402	979
- Net change in fair value gain (unrealised)	5,744	1,895	-	-	-
Derecognised on account of conversion to Equity shares	-	(10,219)	-	-	-
Foreign currency translation adjustment	-	81	-	-	-
At March 31, 2024	**6,419**	**750**	**7,426**	**18,324**	**18,018**

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36. Financial instruments: Fair value and risk managements (continued)

E. Financial risk management

The Group has exposure to the following risks arising from financial instruments:
- Credit risk
- Liquidity risk
- Market risk

(i) Risk management framework

The Group'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.

(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.

Customer credit risk is managed by each business unit subject to Group's established policy, procedures and control relating to customer credit risk management. The Audit and Risk Management Committee of the respective Company's has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, where available, and other publicly available financial information. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

The Group establishes an allowance for impairment that represents its estimate of expected credit loss in respect of trade and other receivables. The maximum exposure to credit risk at reporting date is primarily from trade receivables amounting to Rs. 62,306 (March 31, 2023: Rs. 35,732). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

Allowance for credit loss	March 31, 2024	March 31, 2023
Opening balance	617	363
Allowance for credit loss recognised / (reversed)	29	254
Closing balance	646	617

Refer note 11 for details of aging of trade receivables and allowance for credit losses.

Trade receivables including unbilled revenue from one individual customer is Rs. Nil (March 31, 2023 - Rs. 3,583) which is individually more than 10 percent of the Group's trade receivables including unbilled revenue.

Credit risk on cash and cash equivalent and derivatives is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies which are rated A1+ or AAA . Investments primarily include investment in liquid mutual fund units, bonds and non-convertible debentures.

(iii) Liquidity risk

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

The Group believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. In addition, the Group maintains lines of credit as stated in note 14 and note 19.

The following are the contractual maturities of financial liabilities and excluding interest payments. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay:

March 31, 2024

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Borrowings (refer note b)	25,528	8,293	1,23,475	-	1,57,296
Trade payables	55,694	6,993	33	-	62,720
Lease liabilities	868	689	1,678	2,797	6,032
Derivative liabilities	12	-	-	-	12
Other financial liabilities (refer note a)	50,005	-	10,725	-	60,730
Total	1,32,107	15,975	1,35,911	2,797	2,86,790

March 31, 2023

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Borrowings (refer note b)	24,802	9,441	1,43,464	-	1,77,707
Trade payables	39,831	-	-	-	39,831
Lease liabilities	447	305	893	2,626	4,271
Derivative liabilities	586	127	87	44	844
Other financial liabilities (refer note a)	4,668	46,171	24	-	50,863
Total	70,334	56,044	1,44,468	2,670	2,73,516

(a) Other financial liabilities includes amounts payable towards Gross obligation liability, refer note 16.

(b) Borrowings include non-convertible debentures amounting to Rs. 18,324 (March 31, 2023: Rs. 10,922) related to agreements with the lenders containing certain put options fully described in note 14 to these financial statements.

(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.

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36. Financial instruments: Fair value and risk managements (continued)

Foreign currency risk

The Group operates internationally and a major portion of the business is transacted in several currencies and consequently, the Group is exposed to foreign exchange risk through operating and borrowing activities in foreign currency. The Group holds derivative instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates and foreign currency exposure.

The currency profile of financial assets and financial liabilities as at March 31, 2024 and March 31, 2023 are as below:

March 31, 2024	USD	EUR	Others	Total
Financial assets				
Investments	231	-	-	231
Trade receivables	48,370	8,206	2,243	58,819
Cash and cash equivalents	7,973	924	899	9,796
Other bank balances	16	-	-	16
Other financial assets	1,154	-	-	1,154
Financial liabilities				
Non- current borrowings (including current maturities)	(1,11,998)	-	-	(1,11,998)
Current borrowings	(13,172)	-	-	(13,172)
Trade payables	(38,779)	(5,943)	(9,424)	(54,146)
Other financial liabilities	(35,172)	(67)	(318)	(35,557)
Net financial assets / (liabilities)	**(1,41,377)**	**3,120**	**(6,600)**	**(1,44,857)**

March 31, 2023	USD	EUR	Others	Total
Financial assets				
Investments	29	-	-	29
Trade receivables	22,487	6,106	3,218	31,811
Cash and cash equivalents	8,088	2,574	694	11,356
Other bank balances	26	-	-	26
Other financial assets	11,354	219	78	11,651
Financial liabilities				
Non- current borrowings (including current maturities)	(1,31,386)	-	-	(1,31,386)
Current borrowings	(8,342)	-	(287)	(8,629)
Trade payables	(17,021)	(7,988)	(3,959)	(28,968)
Other financial liabilities	(35,641)	(102)	(163)	(35,906)
Net financial assets / (liabilities)	**(1,50,406)**	**809**	**(419)**	**(1,50,016)**

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, 2024	March 31, 2023	March 31, 2024	March 31, 2023
USD Sensitivity				
INR/USD - Increase by 1%	(1,414)	(283)	(2,031)	(2,329)
INR/USD - Decrease by 1%	1,414	283	2,031	2,234
EUR Sensitivity				
INR/EUR - Increase by 1%	31	8	31	8
INR/EUR - Decrease by 1%	(31)	(8)	(31)	(8)

Derivative financial instruments

The following table gives details in respect of outstanding foreign exchange forward and option contracts:

Particulars	March 31, 2024 (In Million)	March 31, 2023 (In Million)
Foreign exchange forward contracts to buy USD with maturity between 0-2 years	USD 115	USD 116
Foreign exchange forward contracts to sell USD with maturity between 0-8 years	USD 692	USD 669
European style option contracts with periodical maturity between 0-8 years	USD 281	USD 289
European style range forward contracts with periodical maturity between 0-2 years	USD 235	USD 222
Interest rate swaps used for hedging SOFR component in external commercial borrowings	USD 560	USD 200

All of the above contracts are effective as at March 31,2024 and March 31, 2023 and designated through other comprehensive income.

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36. Financial instruments: Fair value and risk managements (continued)

Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During the year ended March 31, 2024 and March 31, 2023 the Group's borrowings at variable rate were mainly denominated in USD.

(a) Interest rate risk exposure

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

Particulars	March 31, 2024	March 31, 2023
Variable rate borrowings	1,26,349	1,62,794
Fixed rate borrowings	30,947	14,913
Total borrowings	**1,57,296**	**1,77,707**

(b) Sensitivity

The Group policy is to maintain a optimum balance between fixed and variable rate borrowings using interest rate swaps to achieve this when necessary. The Group has taken Interest Rate Swaps against above borrowings to the extent of USD 560 million to hedge the interest rate exposure. The Group 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. 1,263 (March 31, 2023 : Rs. 1,628)

Net investment hedges

A foreign currency exposure arises from the Group's net investment in its foreign subsidiaries that have a USD functional currency. The risk arises from the fluctuation in spot exchange rates between the USD and the INR, which causes the amount of the net investment to vary.

The hedged risk in the net investment hedge is the risk of a weakening USD against the INR that will result in a reduction in the carrying amount of the Group's net investment in its foreign subsidiaries.

During the year ended March 31, 2023, the Group designated a USD denominated loan as a hedging instrument to hedge its net invetsment in foreign operation of its foreign subsidiaries, which mitigates the foreign currency risk arising from the subsidiary's net assets.

To assess hedge effectiveness, the Group determines the economic relationship between the hedging instrument and the hedged item by comparing changes in the carrying amount of the debt that is attributable to a change in the spot rate with changes in the investment in the foreign operation due to movements in the spot rate (the offset method). The Group's policy is to hedge the net investment only to the extent of the debt principal.

	March 31, 2024					
	Nominal Amount	Assets	Liabilities	Balance sheet item where the hedging instrument in included	Change in value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss
Hedging Instrument						
Foreign exchange denominated debt (USD)	12,501	-	(12,501)	Borrowings	(151)	-
Hedged item						
USD net investment	12,501	12,501	-	Net investment	151	-

	March 31, 2023					
	Nominal Amount	Assets	Liabilities	Balance sheet item where the hedging instrument in included	Change in value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss
Hedging Instrument						
Foreign exchange denominated debt (USD)	7,349	-	(7,349)	Borrowings	(605)	-
Hedged item						
USD net investment	7,349	7,349	-	Net investment	605	-

37: Capital management

The key objective of the Group's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Group focused on keeping strong total equity 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 Group.

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

The capital structure as of March 31, 2024 and March 31, 2023 was as follows:

Particulars	March 31, 2024	March 31, 2023
Total equity attributable to owners of the Company	1,97,837	1,78,669
As a percentage of total capital	**56%**	**50%**
Long-term borrowings	1,29,324	1,52,905
Short-term borrowings	27,972	24,802
Total borrowings	1,57,296	1,77,707
Debt-equity ratio	**44%**	**50%**
Total capital (Equity and Borrowings)	**3,55,133**	**3,56,376**

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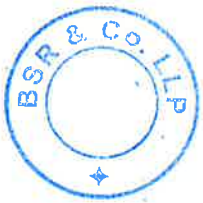
38. Tax expenses

(a) Amount recognised in Statement of profit and loss	March 31, 2024	March 31, 2023
Current tax	3,143	2,462
Deferred tax expense / (income) related to:		
MAT credit written off/ entitlement *	(774)	988
Origination and reversal of temporary differences	(95)	(909)
Tax expense for the year	**2,274**	**2,541**

(b) Reconciliation of effective tax rate		
Profit/ (loss) before tax		
Profit before tax	15,252	8,971
Tax at statutory income tax rate 25.17% (March 31, 2023- 25.17%)	3,839	2,258
Tax effects of amounts which are not deductible / (taxable) in calculating taxable income		
Difference in overseas/domestic tax rates	1,193	207
Exempt income and other deductions	(2,040)	(1,478)
Non-deductible expense/ (income)	(209)	98
Tax losses on which no deferred tax has been recognised	263	402
MAT write off on account of adoption of new tax regime [refer note (a) below]	-	1,071
Fair value & dilution gain in associate	(911)	(546)
Share in loss/ (profit) of joint venture and associate	212	420
Difference in rates for Top-up Tax	510	-
Tax for earlier years	(334)	20
Others	(249)	89
Income tax expense	**2,274**	**2,541**

(a) Effective April 1, 2022, the parent company has decided to elect its option to adopt the new tax regime notified u/s 115BAA of the Income Tax Act, 1961. Consequently, the parent company has written off Minimum Alternate Tax (MAT) balance of Rs. 1,071 in the consolidated financial statements for the year ended March 31, 2023, which can no longer be carried forward. Further, the parent company has remeasured all existing deferred tax balances using the reduced income tax rates expected to be applied under the new regime.

(c) Tax losses		
Unused temporary differences for which no deferred tax asset has been recognised	1,532	1,775
Potential tax impact	425	534
Expiry date [Financial year]	2024-25 to 2030-31	2023-24 to 2028-29



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38. Tax expenses (continued)

(d) Recognised deferred tax assets and liabilities

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

For the year ended March 31, 2024	Opening balance	Impact of Business combination [note 42A]	Recognised in profit or loss	Recognised in OCI	Exchange difference	Closing balance
Deferred tax liabilities						
Property, plant and equipment and intangible assets	3,771	-	(128)	-	99	3,742
Intangible assets acquired in business combination [refer note 42A]	2,852	-	-	-	-	2,852
Goodwill	654	-	231	-	9	894
Derivative assets	155	-	(329)	681	-	507
Deferred consideration	385	-	(166)	-	(4)	215
Gross deferred tax liabilities	**7,817**	**-**	**(392)**	**681**	**104**	**8,210**
Deferred tax assets						
Provision for employee benefits	525	-	60	22	-	607
Allowance for doubtful debts	119	-	(93)	-	-	26
Other deductible expenses	180	-	(102)	-	-	78
MAT credit entitlement	2,723	-	696	-	-	3,419
Deferred revenue	93	-	(13)	-	-	80
Carry forward losses	2,603	-	(198)	-	-	2,405
Others	766	-	127	(6)	(34)	853
Gross deferred tax assets	**7,009**	**-**	**477**	**16**	**(34)**	**7,468**
	(808)	**-**	**869**	**(665)**	**(138)**	**(742)**

For the year ended March 31, 2023	Opening balance	Impact of Business combination [note 42]	Recognised in profit or loss	Recognised in OCI	Exchange difference	Closing balance
Deferred tax liabilities						
Property, plant and equipment and intangible assets	2,648	-	1,021	-	102	3,771
Intangible assets acquired in business combination [refer note 42A]	-	2,879	(27)	-	-	2,852
Goodwill	-	-	654			654
Derivative assets	359	-	-	(109)	-	250
Deferred consideration	-	478	(95)		2	385
Others	72	-	(72)	-	-	-
Gross deferred tax liabilities	**3,079**	**3,357**	**1,481**	**(109)**	**104**	**7,912**
Deferred tax assets						
Provision for employee benefits	544	-	(43)	24	-	525
Derivative liabilities	52	-	(127)	170	-	95
Allowance for doubtful debts	91	-	28	-	-	119
Other deductible expenses	93	-	87	-	-	180
MAT credit entitlement	3,714	-	(991)	-	-	2,723
Deferred revenue	54	-	39	-	-	93
Carry forward losses	-	-	2,603	-	-	2,603
Others	941	-	(194)	-	19	766
Gross deferred tax assets	**5,489**	**-**	**1,402**	**194**	**19**	**7,104**
	2,410	**(3,357)**	**(79)**	**303**	**(85)**	**(808)**

Deferred tax balances	March 31, 2024	March 31, 2023
Deferred tax assets (net)	3,173	3,010
Deferred tax liabilities (net)	(3,915)	(3,818)
	(742)	(808)

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39. Interest in other entities

(a) Subsidiaries

The Group's subsidiaries as at March 31, 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held by the Group, and proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

No.	Name of entity	Country of incorporation	Ownership interest held by the Group		Ownership interest held by the non-controlling interest		Principal activities
			March 31, 2024 %	March 31, 2023 %	March 31, 2024 %	March 31, 2023 %	
1	Syngene International Limited	India	54.9	54.9	45.1	45.1	Contract research and manufacturing services
2	Biocon Pharma Limited ('BPL')	India	100.0	100.0	-	-	Biopharmaceutical manufacturing
3	Biocon Biologics Limited*	India	75.6	78.6	24.4	21.4	Biopharmaceutical manufacturing
4	Biocon Biosphere Limited	India	100.0	100.0	-	-	Biopharmaceutical manufacturing
5	Biofusion Therapeutics Limited**	India	100.0	100.0	-	-	Research services
6	Biocon Academy	India	100.0	100.0	-	-	Not for profit organisation
7	Syngene Scientific Solutions Limited	India	54.9	54.9	45.1	45.1	CRAMS and clinical research services
8	Syngene Manufacturing Solutions Limited	India	54.9	54.9	45.1	45.1	Manufacture of enzyme products and medicinal goods
9	Biocon SA	Switzerland	100.0	100.0	-	-	Research and development
10	Biocon Sdn Bhd	Malaysia	75.6	78.6	24.4	21.4	Biopharmaceutical manufacturing and sale of biosimilar products
11	Biocon Biologics Healthcare Malaysia SDN. BHD	Malaysia	75.6	78.6	24.4	21.4	Sale of biopharmaceutical products
12	Biocon Biologics UK Limited	United Kingdom	75.6	78.6	24.4	21.4	Sale of biosimilar products
13	Biocon Pharma UK Limited	United Kingdom	100.0	100.0	-	-	Sale of pharmaceutical products
14	Biosimilars Newco Limited	United Kingdom	75.6	78.6	24.4	21.4	Sale of biopharmaceutical products
15	Biocon Biologics Inc.	United States	75.6	78.6	24.4	21.4	Business support and marketing for Biosimilar products
16	Biocon Pharma Inc.	United States	100.0	100.0	-	-	Sale of pharmaceutical products
17	Syngene USA Inc.	United States	54.9	54.9	45.1	45.1	Marketing and business development support services
18	Biocon Biologics do Brasil Ltda.	Brazil	75.6	78.6	24.4	21.4	Sale of biopharmaceutical products
19	Biocon Biologics FZ-LLC	Dubai	75.6	78.6	24.4	21.4	Sale of biopharmaceutical products
20	Biocon FZ LLC.	Dubai	100.0	100.0	-	-	Sale of pharmaceutical products
21	Biocon Pharma Ireland Limited	Ireland	100.0	100.0	-	-	Sale of pharmaceutical products
22	Biosimilars Collaborations Ireland Limited	Ireland	75.6	78.6	24.4	21.4	Sale of biopharmaceutical products
23	Biocon Pharma Malta Limited	Malta	100.0	100.0	-	-	Sale of pharmaceutical products
24	Biocon Pharma Malta I Limited	Malta	100.0	100.0	-	-	Sale of pharmaceutical products
25	Biocon Biologics Canada Inc.	Canada	75.6	78.6	24.4	21.4	Sale of biopharmaceutical products
26	Biocon Biologics Germany GmbH	Germany	75.6	78.6	24.4	21.4	Sale of biopharmaceutical products
27	Biocon Biologics France S.A.S	France	75.6	-	24.4	-	Sale of biopharmaceutical products
28	Biocon Biologics Spain, S.L.	Spain	75.6	-	24.4	-	Sale of biopharmaceutical products
29	Biocon Biologics Switzerland AG	Switzerland	75.6	-	24.4	-	Sale of biopharmaceutical products
30	Biocon Biologics Belgium BV	Belgium	75.6	-	24.4	-	Sale of biopharmaceutical products
31	Biocon Biologics Finland OY	Finland	75.6	-	24.4	-	Sale of biopharmaceutical products
32	Biocon Generics Inc.	United States	75.6	-	24.4	-	Sale of biopharmaceutical products
33	Biocon Biologics Morocco S.A.R.L.A.U	Morocco	75.6	-	24.4	-	Sale of biopharmaceutical products
34	Biocon Biologics Greece SINGLE MEMBER P.C	Greece	75.6	-	24.4	-	Sale of biopharmaceutical products
35	Biocon Biologics South Africa (PTY) Ltd	South Africa	75.6	-	24.4	-	Sale of biopharmaceutical products
36	Biocon Biologics (Thailand) Co. Ltd	Thailand	75.6	-	24.4	-	Sale of biopharmaceutical products
37	Biocon Biologics Philippines Inc	Philippines	75.6	-	24.4	-	Sale of biopharmaceutical products
38	Biocon Biologics Italy S.R.L	Italy	75.6	-	24.4	-	Sale of biopharmaceutical products
39	Biocon Biologics Croatia LLC	Croatia	75.6	-	24.4	-	Sale of biopharmaceutical products

* Also refer note 16
** Merged with BPL

39. Interest in other entities (continued)

(b) Non-controlling interests

Below is the summarised consolidated financial information for Syngene International Limited and Biocon Biologics Limited that has non-controlling interests that is material to the Group as on March 31, 2024. The amounts disclosed for the subsidiary are before inter-company eliminations

Syngene International Limited

Summarised balance sheet

Particulars	March 31, 2024	March 31, 2023
Non-current assets	41,926	34,057
Current assets	19,590	24,253
Total assets	61,516	58,310
Non-current liabilities	7,497	10,248
Current liabilities	11,442	11,882
Total liabilities	18,939	22,130
Net assets	42,577	36,180
Accumulated non-controlling interest	19,440	16,737

Summarised statement of profit and loss

Particulars	March 31, 2024	March 31, 2023
Revenue from operations	34,886	31,929
Profit for the year	5,100	4,644
Other comprehensive income	1,426	(972)
Total comprehensive income	6,526	3,672
Total comprehensive income allocated to non-controlling interests	2,944	1,353
Dividends (including dividend distribution tax) paid to non-controlling interests	(226)	(119)

Summarised statement of cash flows

Particulars	March 31, 2024	March 31, 2023
Cash flows generated from operating activities	10,422	8,235
Cash flows used in investing activities	(4,956)	(6,564)
Cash flows (used in) from financing activities	(5,514)	(3,425)
Net (decrease) in cash and cash equivalents	(48)	(1,754)

Biocon Biologics Limited

Summarised balance sheet

Particulars	March 31, 2024	March 31, 2023
Non-current assets	3,30,169	3,32,389
Current assets	1,00,923	69,259
Total assets	4,31,092	4,01,648
Non-current liabilities	1,28,128	1,71,985
Current liabilities	1,19,555	53,587
Total liabilities	2,47,683	2,25,572
Net assets	1,83,409	1,76,076
Accumulated non-controlling interest	35,471	29,482

Summarised statement of profit and loss

Particulars	March 31, 2024	March 31, 2023
Revenue from operations	88,242	55,838
Profit for the year	2,182	1,335
Other comprehensive income	2,610	1,537
Total comprehensive income	4,792	2,872
Total comprehensive income allocated to non-controlling interests	988	78

Summarised statement of cash flows

Particulars	March 31, 2024	March 31, 2023
Cash flows generated from operating activities	21,867	8,542
Cash flows used in investing activities	(7,338)	(1,63,123)
Cash flows (used in) / generated from financing activities	(17,719)	1,61,627
Net (decrease) / increase in cash and cash equivalents	(3,190)	7,046

(c) Interest in joint venture

The Group has only one joint venture in the name of NeoBiocon FZ LLC ("NeoBiocon") , incorporated in Dubai as at March 31, 2024 holding 49% (March 31, 2023: 49%) of the equity stake and accounted for using the equity method. NeoBiocon has share capital solely consisting of equity shares, which are held directly by ownership interest in the same proportion of voting rights held

Summarised balance sheet of NeoBiocon is as follows:

Particulars	March 31, 2024	March 31, 2023
Non-current assets	1	2
Current assets	379	557
Total assets	380	559
Non-current liabilities	18	17
Current liabilities	120	148
Total liabilities	138	165
Net assets	242	394
Percentage ownership interest	49%	49%
Accumulated Group's share of net assets	-	43

Summarised statement of profit and loss of NeoBiocon

Particulars	March 31, 2024	March 31, 2023
Revenue from operations	47	166
Profit/(Loss) for the year	(156)	(75)
Total comprehensive income	(156)	(75)
Share of Profit/(loss) from joint venture	(77)	(37)

(d) Interest in associates

Particulars	March 31, 2024	March 31, 2023
IATRICa Inc - 4,285,714 (March 31, 2023 - 4,285,714) Series A Preferred Stock at US$ 0.70 each, par value US $ 0 00001 each	131	131
Less: Provision for decline, other than temporary, in the value of non-current investments	(131)	(131)
Bicara Therapeutics Inc : 1,070,000 (March 31, 2023 - 1,070,000) equity shares of USD 0 0001 each 49,990,144 (March 31, 2023 - 49,990,144) preference shares of USD 1 each [Refer note 44]	-	1,335
	-	1,335
Total investment in associate and joint venture (c+d)	-	1,378

40. Segment Reporting

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker ("CODM") evaluates the Group's performance based on an analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

April 1, 2023 to March 31, 2024

Particulars	Generics	Biosimilars	Novels	Research	Unallocated/ Eliminations	Total
Revenues						
External revenue	25,001	88,183	-	34,373	-	1,47,557
Inter-segment revenue	2,984	59	-	513	(3,556)	-
Total revenues	**27,985**	**88,242**	**-**	**34,886**	**(3,556)**	**1,47,557**
Costs						
Segment costs	(24,832)	(65,669)	148	(24,217)		(1,14,570)
Inter-segment costs	(86)	(2,432)		(526)	3,044	-
Results						
Other income including interest	888	1,754	5,353	906	(246)	8,655
Operating profit						**41,642**
Depreciation / Amortisation	(1,568)	(10,297)	-	(4,258)	435	(15,688)
Finance costs	(6)	(8,641)	-	(472)	(625)	(9,744)
Share of profit/(loss) of joint venture and associate	(77)		(765)		-	(842)
Segment results	**2,304**	**2,957**	**4,736**	**6,319**	**(948)**	**15,368**
Exceptional items, net	-	-	-	-	(116)	(116)
Income taxes - Current and deferred	-	-	-	-	(2,274)	(2,274)
Non-controlling interests	-	-	-	-	(2,753)	(2,753)
Profit after taxes attributable to shareholders						**10,225**
Other Information						
Segment assets	71,067	4,31,435	-	61,516	(3,311)	5,60,707
Total assets						**5,60,707**
Segment liabilities	19,757	2,57,344	-	18,939	11,919	3,07,959
Total liabilities						**3,07,959**

April 1, 2022 to March 31, 2023

Particulars	Generics	Biosimilars	Novels	Research	Unallocated/ Eliminations	Total
Revenues						
External revenue	24,559	55,599	192	31,392	-	1,11,742
Inter-segment revenue	3,085	239	-	537	(3,861)	-
Total revenues	**27,644**	**55,838**	**192**	**31,929**	**(3,861)**	**1,11,742**
Costs						
Segment costs	(24,116)	(40,034)	(417)	(22,058)	-	(86,625)
Inter-segment costs	(152)	(2,543)	-	(527)	3,222	-
Results						
Other income including interest	2,135	120	2,234	709	(1,439)	3,759
Operating profit						**28,876**
Depreciation / Amortisation	(1,485)	(6,382)	(23)	(3,665)	424	(11,131)
Finance costs	(68)	(2,969)	(35)	(452)	(666)	(4,190)
Share of profit of joint venture and associate	(37)		(1,633)		-	(1,670)
Segment results	**3,921**	**4,030**	**318**	**5,936**	**(2,320)**	**11,885**
Exceptional items, net	-	-	-	-	(2,914)	(2,914)
Income taxes - Current and deferred	-	-	-	-	(2,541)	(2,541)
Non-controlling interests	-	-	-	-	(1,803)	(1,803)
Profit after taxes attributable to shareholders						**4,627**
Other Information						
Segment assets	58,526	4,01,589	1,896	58,310	107	5,20,428
Total assets						**5,20,428**
Segment liabilities	17,496	2,36,789	299	22,130	18,826	2,95,540
Total liabilities						**2,95,540**

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40. Segment Reporting (continued)

Geographical segments

Revenue from operations	Year ended March 31, 2024	Year ended March 31, 2023
India	16,079	16,737
United States of America	64,550	41,430
European union (incuding Ireland)	35,169	11,784
Rest of the world	31,759	41,791
Total	**1,47,557**	**1,11,742**

Non-current assets	March 31, 2024	March 31, 2023
India	96,612	75,701
European union (including Ireland)	65,761	65,756
United Kingdom	1,97,217	2,02,690
Malaysia	27,664	27,547
Rest of the world	3,395	512
Total	**3,90,649**	**3,72,206**

Note: Non-current assets excludes financial instruments, income tax and deferred tax assets.

Significant clients

There is no receivable from single customer which which is more than 10 percent of the Group's total receivables during the current financial year. One customer group of Biosimilar segment individually accounted for Rs. 18,861 which is more than 10% of the total revenue of the Group for financial year ended March 31, 2023.

Segment revenue and results

The expenses that are not directly attributable and that can not be allocated to a business segment on a reasonable basis are shown as unallocated corporate expenses. Further, the Group has classified interest on loans raised by the Parent company and its wholly owned subsidiary to fund the business acquisition as unallocable corporate expenses.

Segment assets and liabilities

Segment assets include all operating assets used by the business segment and consist principally of fixed assets and current assets. Segment liabilities comprise of liabilities which can be directly allocated against the respective segments. Assets and liabilities that have not been allocated between segments are shown as part of unallocated corporate assets and liabilities respectively.

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41. Additional information, as required under Schedule III of the Act, of enterprises consolidated as subsidiary/associates/joint venture

Name of Entity	Net assets as at March 31, 2024		Share in profit or loss for the year ended March 31, 2024		Share in other comprehensive income for the year ended March 31, 2024		Share in total comprehensive income for the year ended March 31, 2024	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Holding Company								
Biocon Limited	18%	1,09,123	14%	1,193	0%	(7)	11%	1,186
Subsidiaries								
Indian								
Syngene International Limited	4%	22,475	28%	2,364	35%	788	30%	3,152
Syngene Scientific Solutions Limited	-	1,450	5%	396	0%	(5)	4%	391
Syngene Manufacturing Solutions Limited	-	9	-	-	-	-	-	-
Biocon Pharma Limited	-	(14)	4%	348	1%	30	4%	378
Biocon Biologics Limited	23%	1,38,789	38%	3,231	-16%	(355)	27%	2,876
Biocon Biosphere Limited	-	256	-	(18)	-1%	(22)	-	(40)
Biocon Academy	-	-	-	-	-	-	-	-
Foreign								
Biocon SA	1%	6,648	16%	1,311	-	-	12%	1,311
Biocon Sdn Bhd	0%	(1,495)	-21%	(1,786)	-	-	-17%	(1,786)
Biocon Biologics UK Limited	18%	1,07,971	57%	4,788	-	-	45%	4,788
Biosimilars Newco Limited	19%	1,12,258	-33%	(2,746)	28%	638	-20%	(2,108)
Biosimilars Collaboration Ireland Limited	8%	46,737	-42%	(3,546)	-	-	-33%	(3,546)
Biocon Biologics Canada Inc.	-	29	-	29	-	-	-	29
Biocon Biologics Germany GmbH	-	12	-	9	-	-	-	9
Biocon Pharma Inc.	-	2,215	3%	222	-	-	2%	222
Biocon FZ LLC.	-	153	1%	53	-	-	-	53
Biocon Biologics Healthcare Malaysia SDN. BHD	-	(1)	-	-	-	-	-	-
Syngene USA Inc.	-	127	-	40	-		-	40
Biocon Pharma UK Limited	-	83	-	(9)	-	-	-	(9)
Biocon Pharma Ireland Limited	-	7	-	(17)	-	-	-	(17)
Biocon Biologics Inc.	-	681	7%	623	-	-	6%	623
Biocon Biologics do Brasil Ltda.	-	85	-	4	-	-	-	4
Biocon Biologics FZ-LLC	-	91	-	7	-	-	-	7
Biocon Biologics France S.A.S	-	32	-	31	-	-	-	31
Biocon Biologics Spain, S.L.	-	3	-	4	-	-	-	4
Biocon Biologics Switzerland AG	-	5	-	1	-	-	-	1
Biocon Biologics Belgium BV	-	4	-	2	-	-	-	2
Biocon Biologics Finland OY	-	1	-	1	-	-	-	1
Biocon Generics Inc.	-	625	-	-	-	-	-	-
Biocon Biologics Morocco S.A.R.L.A.U	-	1	-	1	-	-	-	1
Biocon Biologics Greece SINGLE MEMBER P.C	-	3	-	3	-	-	-	3
Biocon Biologics South Africa (PTY) Ltd	-	-	-	-	-	-	-	-
Biocon Biologics (Thailand) Co. Ltd	-	(1)	-	(1)	-	-		(1)
Biocon Biologics Philippines Inc	-	17	-	-	-	-	-	-
Biocon Biologics Italy S.R.L	-	1	-	-	-	-	-	-
Biocon Biologics Croatia LLC	-	-	-	-	-	-	-	-
Biocon Pharma Malta Limited	-	(3)	-	-	-	-	-	-
Biocon Pharma Malta I Limited	-	(3)	-	(3)	-	-	-	(3)

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Joint venture								
Foreign								
NeoBiocon FZ LLC.	-	-	-1%	(77)	-	-	-1%	(77)
Associates								
Foreign								
IATRICa Inc., USA	-	-	-	-	-	-	-	-
Bicara Therapeutics Inc. [refer note 44]	0%	-	-9%	(765)	-	-	-7%	(765)
Non-controlling interest	9%	54,911	33%	2,753	53%	1,179	37%	3,932
Gross Total	**100%**	**6,03,285**	**100%**	**8,446**	**100%**	**2,246**	**100%**	**10,692**
Adjustment arising on consolidation		(3,50,537)		4,532		1,621		6,153
Total		**2,52,748**		**12,978**		**3,867**		**16,845**

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41. Additional information, as required under Schedule III of the Act, of enterprises consolidated as subsidiary/associates/joint venture (continued)

Name of Entity	Net assets as at March 31, 2023		Share in profit or loss for the year ended March 31, 2023		Share in other comprehensive income for the year ended March 31, 2023		Share in total comprehensive income for the year ended March 31, 2023	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Holding Company								
Biocon Limited	19%	1,09,160	89%	28,484	-1%	9	91%	28,493
Subsidiaries								
Indian								
Syngene International Limited	3%	19,452	9%	2,997	74%	(592)	8%	2,405
Syngene Scientific Solutions Limited	-	168	-	(41)		-	-	(41)
Syngene Manufacturing Solutions Limited	-	10	-	-		-		-
Biocon Pharma Limited	-	(661)	1%	452	6%	(46)	1%	406
Biocon Biologics Limited	25%	1,38,388	-14%	(4,530)	-1%	8	-15%	(4,523)
Biocon Biosphere Limited	-	295	-	(11)	-23%	188	1%	177
Biofusion Therapeutics Limited	-	270	1%	259	-	1	1%	260
Biocon Academy	-	-	-	-	-	-		-
Foreign								
Biocon SA	1%	5,249	-	5	-	-	-	5
Biocon Sdn Bhd	-	(624)	6%	1,905	-	-	6%	1,905
Biocon Biologics UK Limited	17%	95,730	13%	4,190	-	-	13%	4,190
Biosimilars Newco Limited	17%	96,365	-10%	(3,237)	-	-	-10%	(3,237)
Biosimilars Collaboration Ireland Limited	9%	49,579	4%	1,258	-		4%	1,258
Biocon Biologics Canada Inc.	-	-	-	-	-	-	-	-
Biocon Biologics Germany GmbH	-	-	-	-	-	-	-	-
Biocon Pharma Inc.	-	1,964	-	28	-	-	-	28
Biocon FZ LLC.	-	98	-	12	-	-	-	12
Biocon Biologics Healthcare Malaysia SDN. BHD	-	(1)	-	(0)	-	-	-	(0)
Syngene USA Inc.	-	81	-	28	-	-	-	28
Biocon Pharma UK Limited	-	88	-	0	-	-	-	0
Biocon Pharma Ireland Limited	-	24	-	(3)	-	-	-	(3)
Biocon Biologics Inc.	-	57	-	14	-	-	-	14
Biocon Biologics do Brasil Ltda.	-	80	-	1	-	-	-	1
Biocon Biologics FZ–LLC	-	83	-	5	-	-	-	5
Biocon Pharma Malta Limited	-	(4)	-	(2)	-	-	-	(2)
Biocon Pharma Malta I Limited	-	0	-	-	-	-	-	-
Joint venture								
Foreign								
NeoBiocon FZ LLC.	-	43	-	(37)	-	-	-	(37)
Associates								
Foreign								
IATRICa Inc., USA	-	-	-	-	-	-	-	-
Bicara Therapeutics Inc.	-	1,335	-5%	(1,633)		-	-5%	(1,633)
Non-controlling interest	8%	46,219	6%	1,803	45%	(372)	5%	1,431
Gross Total	**100%**	**5,63,449**	**100%**	**31,946**	**100%**	**(804)**	**100%**	**31,141**
Adjustment arising on consolidation		(3,38,561)		(25,516)		1,570		(23,945)
Total		**2,24,888**		**6,430**		**766**		**7,196**

42A. Business combination

a. On February 27, 2022, BBL entered into a definitive agreement with its collaboration partner Viatris Inc. to acquire Viatris' biosimilars business to create a fully integrated global biosimilars enterprise, at a total consideration of Rs. 247,255, including cash of Rs. 156,645 and Compulsorily Convertible Preference Shares ('CCPS') in BBL of Rs. 82,181. The said transaction obtained necessary regulatory and other approvals and the closing conditions were satisfied on November 29, 2022 pursuant to which, the BBL acquired control over the Viatris' biosimilar business through subsidiaries Biosimilars Newco Limited and Biosimilar Collaborations Ireland Limited. The Group has accounted for the transaction under Ind AS 103, "Business Combinations". The acquired business have been consolidated effective November 29, 2022, the consummation date.

The Group along with Viatris, the seller determined the working capital balances taken over by Biocon Biologics as part of the acquisition. The Group has carried out a purchase price allocation between goodwill, intangible assets and other working capital balances taken over.

Below is the details of purchase price allocation:

	Amount
Cash	1,56,645
0.001% Compulsorily Convertible Preference Shares (CCPS)	82,181
Equity shares *	-*
Deferred consideration payable	27,940
Contingent consideration receivable	(10,251)
Settlement of pre-existing relationship	(9,260)
Total Consideration	**2,47,255**
Assets acquired	
Trade receivables	16,097
Inventories	13,742
Other assets	253
Goodwill	1,59,831
Product related Intangibles (refer note (g) below)	
Brands	2,632
Licenses to the patents	29,114
Other product related Intangibles	60,868
Liabilities assumed	
Trade Payables	(30,618)
Provision for sales return	(1,307)
Deferred tax liabilities	(3,357)
Total net assets acquired	**2,47,255**

*not disclosed above since the amounts is rounded off to Rupees million.

(a) CCPS were fair valued using Binomial Option Pricing Model at Rs. 82,181. Each CCPS shall be convertible into equity shares of BBL at any time at the option of the holder at a conversion rate of 1:1. BBL 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 post conversion is atleast USD 1,000 million. The issue of additional shares results in contingent consideration. The CCPS initial recognition has been bifurcated into on equity component of Rs. 74,815 (fixed to fixed conversion) and contingent consideration of Rs. 7,366.

(b) BBL has issued one equity share at fair value of Rs. 280.74 per share, based on the valuation report by the independent valuer.

(c) The Group has agreed for deferred consideration payable after 18-24 months from the acquisition date, fair valued at Rs. 27,940.

(d) Contingent consideration receivable amount will be due from Viatris Inc to the Group provided the value of CCPS at the time of conversion is USD 1,000 million. If the value of CCPS at the time of conversion is below USD 1,000 million, Viatris Inc will adjust shortfall against Contingent consideration receivable to the maximum cap of USD 250 million.

Considering that the amount of Contingent consideration receivable is dependent on the value of the CCPS at the time of conversion event, a Binomial Option Pricing Model has been applied to estimate the future equity value of BBL and Contingent consideration receivable is fair valued at Rs. 10,251.

(e) BBL and Viatris had entered into an arrangement, to collaborate to develop, manufacture and commercialize certain biosimilar products. In line with Ind AS 103, settlement of pre-existing relationship did not result in any gain or loss in statement of profit and loss since the transaction was at arm's length. Liability towards pre-existing relationship amounting to Rs. 9,260 has been de-recognised with a corresponding impact to Goodwill.

(f) The Goodwill of Rs. 159,831 consists largely of the synergies and economies of scale expected from the acquired business, together with the value of the workforce acquired. The Goodwill generated on acquisition of businesses amounting to Rs. 126,708 is deductible for tax purposes, while remaining portion is non-deductible for tax purposes.

(g) The valuation techniques used for measuring the fair value of material assets acquired were as follows:
Intangible assets - Relief from-royalty method and multi-period excess earnings method.
- The relief-from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as a result of the patents being owned.
- The multi-period excess earnings method considers the present value of net cash flows expected to be generated by the Intellectual Property rights, by excluding any cash flows related to contributory assets.

Inventory -
Market comparison technique: The fair value is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

(h) Acquisition related costs amounted to Rs. 2,374 were excluded from the consideration transferred and were recognised as expense under "Exceptional items" in the Statement of profit and loss for the year ended 31 March 2023 [refer note 32].

(i) For the period November 29, 2022 till 31 March 2023, acquired business contributed revenue of Rs. 22,074, Profit before tax, interest, depreciation, amortisation and exceptional items of Rs. 4,007 and Profit before tax and exceptional items of Rs. 73 to the Group's results. If the acquisition had occurred on 1 April 2022, management estimates that consolidated revenue would have been Rs. 155,890, consolidated Profit before tax, interest, depreciation, amortisation, associate loss pick up and exceptional items of Rs. 36,890 and consolidated Profit before tax and exceptional items for the year would have been Rs. 12,030. In determining these estimates, the management has annualised the revenue and profitability of the acquired business for the period November 29, 2022 till March 31, 2023.

(j) BBL has entered into Transition Support Agreement ('TSA') with Viatris Inc to provide commercial and other transition services to ensure continuity of customer service and smooth transition to the Group.

42B. Acquisition through Slump Sale:

On 04 July 2023, Board of Directors of Syngene entered into a binding term sheet for acquiring Unit 3 biologics manufacturing facility in Bangalore, India, from Stelis Biopharma Limited (SBL). The unit has been acquired effective 01 December 2023 on a slump sale basis at a total cash consideraion of Rs. 5,632 million.

The acquisition will add 20,000 litres of installed biologics drug substance manufacturing capacity for Syngene. The site has the potential for future expansion of up to a further 20,000 litres of biologics drug substance manufacturing capacity. It also includes a commercial scale, high speed, fill-finish unit – an essential capability for drug product manufacturing.

The Group has carried out a preliminary purchase price allocation between tangible assets and other balances taken over to assess the fair value as on the acquisition date and accordingly recorded a capital reserve of Rs 39 million. These initial estimates will be finalized over the next few quarters not exceeding twelve-month period allowed under the accounting requirements.

The following table summarises major class of the assets and liabilities taken over:

Particulars	
Property, plant and equipment	6,207
Other assets	104
Capital creditors	(638)
Other liabilities	(2)
Value of business taken over (A)	**5,671**
Purchase consideraion (B)	5,632
Capital reserve (C=B-A)	**(39)**

43 Goodwill

Goodwill arising upon business combination is not amortized but tested for impairment annually or more frequently if there is any indication that the cash generating unit to which goodwill is allocated is impaired.

Particulars	**March 31, 2024**	**March 31, 2023**
Opening Balance	1,61,098	-
Goodwill arising on business combination [refer note 42A]	69	1,59,831
Other adjustments	-	
- Foreign currency translation adjustment	2,293	1,267
Closing Balance	**1,63,460**	**1,61,098**

For the purposes of impairment assessment, the Group is considered as single Cash generating unit. The recoverable amounts of the above cash generating units have been assessed using a value-in-use model. Value-in-use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit. Initially, a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows. Key assumptions upon which the Company has based its determinations of value-in-use include:

a) Estimated cash flows for nine years, based on management's projections.
b) A terminal value arrived at by extrapolating the last forecasted year cash flows to perpetuity, using growth rate ranging from 1% to 3%. This long-term growth rate takes into consideration external macroeconomic sources of data. Such long-term growth rate considered does not exceed that of the relevant business and industry sector.
c) The post tax discount rate used is 14.37% based on the Company's weighted average cost of capital.
The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

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44. Other notes

Bicara Therapeutics Inc, (Bicara), U.S., is a clinical-stage biotechnology company developing dual-action biologics designed to spur a potent and durable immune response in the tumor microenvironment. Bicara is actively engaged in advancing a robust pipeline of first-in-class bifunctional antibodies being developed by a global team.

During the year, Bicara raised funds through Series C financing from third parties resulting into dilution of interest, which resulted in loss of significant influence over the investee. In accordance with Ind AS 28: Investments in Associates and Joint Ventures, the Group fair valued its investment on the date of loss of significant influence resulting in a gain of Rs. 4,254 million in the consolidated financial statements of the Company. The same has been disclosed in other income. The group going forward has designated its investment in Bicara to be accounted for at fair value through other comprehensive income (FVOCI).

During the year ended March 31, 2024, the Company received amount of Rs. 126 million towards its outstanding receivable from Bicara, against which the provision was recorded in earlier year within 'Novels' segment and has been reversed under 'Generics' segment.

Prior to the Series C financing, the Group accounted for its investments in Bicara using the equity method as it had significant influence. Bicara had raised additional fund from third parties resulting into dilution of interest held in the associate. Accordingly, following the principles in Ind AS 28: Investments in Associates and Joint Ventures, the Group had recorded a dilution gain of Rs. 1,053 million for the year ended March 31, 2024. Similarly, Rs. 2,170 million was recorded for the year ended March 31, 2023. The same has been disclosed in other income in the consolidated financial statements.

45. Except for as disclosed in note 14(l), 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 Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries).

Except for as disclosed in note 14(l), the Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

46. Other statutory information

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

(ii) The Group does not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

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

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

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

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BIOCON LIMITED BANGALORE

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47 (a) The Board of Directors of the Company, at their meeting held on May 23, 2023, had proposed a final dividend of 30% i.e. Rs. 1.5 per equity share of face value of Rs. 5/- each. The same has been approved by the shareholders in the Annual General Meeting of the Company and has been distributed to the shareholders of the Company.

47 (b). On 26 April 2023, the Board of Directors of Syngene recommended a final dividend of Rs. 1.25 per equity share of Rs. 10/- (comprising a regular dividend of Rs.0.5 per share and a special additional dividend of Rs. 0.75 per share to mark the 30th anniversary of the founding of Syngene in November 1993). The share holders of Syngene approved the dividend in the Annual General Meeting of Syngene held on 26 July 2023 and was subsequently paid

48. Events after reporting period

a. On April 24, 2024, the Board of Directors of Syngene have approved an allotment of 521,981 equity shares of Rs. 10 each of Syngene to Syngene Employee Welfare Trust at face value to allot fresh equity shares upto 1.67% of the paid-up equity capital of the Company for the purpose of implementation of the Syngene International Limited – Restricted Stock Unit Long Term Incentive Plan FY 2020.

b. On April 24, 2024, the Board of Directors of Syngene recommended a final dividend of Rs. 1.25 per equity share of Rs. 10/-. The proposed dividend is subject to the approval of the shareholders of Syngene in the Annual General Meeting.

c. The Board of Directors of the Company, at their meeting held on May 16, 2024, have proposed a final dividend of Rs. 0.5 per equity share of Rs. 5/- each, amounting to Rs. 600. The proposed dividend is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

d. Subsequent to the year, BBL has entered into a commercial collaborative agreement with Eris Lifesciences, subject to closure of customary closing conditions, for the sale of its business in relation to branded formulations in India for a consideration of Rs. 12,420 million.

As per our report of even date attached

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

Sudhir Soni
Partner
Membership No.: 041870

Bengaluru
May 16, 2024

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

Kiran Mazumdar-Shaw
Executive Chairperson
DIN: 00347229

Siddharth Mittal
Managing Director & CEO
DIN: 03230757

Mayank Verma
Company Secretary

Bengaluru
May 16, 2024

B S R & Co. LLP
Chartered Accountants

Embassy Golf Links Business Park
Pebble Beach, B Block, 3rd Floor
No. 13/2, off Intermediate Ring Road
Bengaluru - 560 071, India
Telephone: +91 80 4682 3000
Fax: +91 80 4682 3999

Independent Auditor's Report

To the Members of Biocon Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditor on separate financial statements/financial information of such subsidiary as were audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint venture as at 31 March 2025, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue	
See Note 2(l) and Note 21 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
One of the subsidiaries of the Group derives revenue from contract research, development and manufacturing activities. Overstatement of revenue is a presumed fraud risk considering the subsidiary has pressure to meet external market expectations of reporting higher revenues. The subsidiary has various contractual arrangements with customers which are entered into at various stages of research and development. The Company, in line with Ind AS 115, recognises revenue based on the contractual terms and performance obligations with customers. The subsidiary, in certain instances, also has bill and hold arrangements that meet the criteria mentioned for such arrangements under Ind AS 115: Revenue from Contracts with Customers, wherein revenues are recognized prior to the physical transfer of the goods on the basis of specific requests from the customers to hold back the delivery of goods at period end. The above factors result in revenue from contract research and manufacturing service income being identified as a Key Audit Matter.	Our audit procedures in relation to revenue recognition includes the following: • We have assessed the appropriateness of the subsidiary's revenue recognition accounting policies and assessed compliance with the policies in terms of applicable accounting standards. • We tested the design and implementation, operating effectiveness of the subsidiary's controls around revenue recognition including general IT controls and key IT application controls. • We have performed substantive testing (including year-end cut-off testing) by selecting samples of revenue transactions recorded during the year and verifying the underlying documents, which includes sales invoices/contracts, shipping and delivery documents. • We have tested the specific requests from customers at the period end to evaluate transfer of control relating to the bill and hold arrangements. We evaluated the timing of recognition of revenue from these arrangements proposed by the subsidiary for compliance with Ind AS 115: Revenue from Contracts with Customers. • We have assessed manual journal entries posted to revenue to identify unusual items not already covered by our audit testing.

Chargeback, rebates, returns, other adjustments and related accruals	
See Note 2(l) and Note 21 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
A significant part of the Group's sales consists of chargeback, rebates, returns, other adjustments and their related accruals	Our audit procedures in relation to the charge-back / deductions included the following:

(referred to as 'deductions to gross sales'). Estimating the amounts of deductions to be accrued as at the period end requires significant estimation and degree of subjectivity as management's model utilizes historical buying patterns of distributors/ whole-sellers/other customers, estimated end-user demand, estimated inventory levels in the distribution channel, contracted sales terms with customers, as well as other competitive factors. The Group has engaged professional service providers to assist them in determining the year-end accruals in respect of its biosimilar business. This was an area of focus in our audit due to the significant value of the arrangements, their inherent complexity, and the substantial judgement and estimation required by the Group in computing accruals. Accordingly, we have determined this as a Key Audit Matter.	• Assessed the appropriateness of the Group's accounting policies and assessed compliance with the policies in terms of applicable accounting standards. • Assessed journal entries posted in respect of these deductions to identify unusual items not already covered by our audit testing. • Tested the design and implementation of Group's controls around accruals for deductions. • Obtained the computation for year-end accruals of chargebacks/ deductions which were determined by the Group in respect of its biosimilar business and tested the underlying assumptions used by reference to the Group's stated commercial policies, applicable contracts and historical product returns and other claims / allowances. • Performed test of details on the actual claims processed during the year towards chargebacks, rebates, sales return and other allowances etc. to determine the accuracy of deductions to gross sales. • Compared prior period accruals to subsequent claims processed to evaluate management's ability to forecast year end accruals for deductions to gross sales. • Performed analytical procedures on deductions to sales adjustments recognised during the year to identify any unusual variances / relationships. • For each of the estimated accruals, tested the mathematical accuracy of the computation and verified the underlying data used for completeness and accuracy.

Impairment of goodwill, intangible assets and intangible assets under development	
See Note 2(e), 4 and 43 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Group's subsidiaries has recorded goodwill, intangible assets and intangible assets under development of Rs. 167,593 million, Rs. 57,590 million and Rs. 43,119	Our audit procedures in relation to impairment testing includes the following: • We have tested the design and operating effectiveness of the subsidiary's controls around

million respectively as at 31 March 2025. Most of these were recorded pursuant to the purchase price allocation in respect of the acquisition of Viatris's biosimilar business in the previous years. Further, in some cases, the products are yet to be launched or in their initial stages of commercialization and hence revenue and profitability are yet to reach its desired levels. Hence, there is a risk of impairment in the event the carrying amount of the CGU is lower than its recoverable value. These assets are subjected to impairment test as part of Cash Generating Units (CGU) which include goodwill. The annual impairment testing of goodwill, intangible assets and intangible assets under development within such CGU was considered to be a key audit matter due to the complexity of the accounting requirements and the significant judgement involved to estimate the recoverable amount. The recoverable amount of the CGU, which is the value in use has been derived from discounted forecast cash flow model. The discounted cash flow model involves a high degree of subjectivity, including key assumptions like the estimates of revenue growth, weighted-average cost of capital, expected market share, price erosion, expected regulatory approval and its consequential impact on the gross margin of the products sold. This assessment of discount rate and terminal growth rate requires specialized skills and knowledge. These significant assumptions are forward looking and could be affected by future economic and market conditions. Further, changes to these assumptions could have a significant impact on the recoverable amount of the CGUs and could lead to an impairment to the carrying value of these assets. Accordingly, we have determined this to be a key Audit Matter.	the impairment testing which included review of significant assumptions such as estimated revenue, inputs given to the Company's specialist and validating the outputs shared by the specialist. • Evaluated all the assumptions used by the subsidiary in assessing the recoverability of assets and involved valuation specialists to assist us in evaluating the valuation methodologies. • Evaluated the subsidiary's assessment of key inputs by considering third party sources and the impact on future cash inflows due to actions by competitors or changes in relevant market conditions; • We corroborated the revenue projections with the annual board approved plan and the reasonableness of the revenue growth factored in the projections. • Performed the sensitivity analysis in respect of certain key assumptions to evaluate the impact of change on recoverable value. We have assessed the historical accuracy by comparing past forecasts to actual results achieved. • Tested the adequacy of disclosures made in consolidated financial statements, as required by Ind AS 36 Impairment of assets.

Going concern	
See Note 1.2 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
In respect of agreements entered into by the	Our audit procedures to assess the going concern

Group with certain financial investors for acquisition of biosimilar business, there are put option obligations on the Company to provide exit to the investors. The Company also has certain long-term borrowings that carry drag along rights which require the Company to repay the debts if the put options, as mentioned above, are triggered. As at 31 March 2025, these contractual agreements indicate possible obligations as described in note 1.2 to the financial statements. The Group has performed an assessment of its financial position as at 31 March 2025 and the forecasts for a period of fifteen months from the date of these financial statements. In addition, Group considered projected cash flows, re-financing of existing borrowings, liquidity from non-current assets, ability to raise funds by issuance of further shares as stated in note 48(d) to the consolidated financial statements and re-negotiating the exit terms with financial investors. These factors involve subjectivity that some of these are driven by external environment and hence outcomes could be different from those factored by the Group. Considering significance of the issue it is considered as a Key Audit Matter.	assumption included the following: • Obtained the forecasted statement of profit and loss and cashflows prepared by the Management for the next 15 months. • Gained an understanding and assessed the design, implementation and operating effectiveness of Company and subsidiary's key internal controls over preparation of cash flow forecasts to assess its liquidity. • Compared the forecasted statement of profit and loss and cash flows with the business plan approved by the board of directors; evaluated the key assumptions in the cash flow forecasts with reference to historical information, current performance, future plans, and market and other external available information. • Performed sensitivity analysis on the forecasted statement of profit and loss and cash flows by considering plausible changes to the key assumptions. • Reviewed the share purchase agreement with investors. • Discussed with Audit Committee and key senior management personnel regarding the Company's plan to meet the obligations. • Assessed the adequacy of the disclosures – refer note 1.2 to the financial statements.

Financial instruments	
See Note 16(a) to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Group is a party to certain financial instruments that are carried at fair value through profit and loss. These financial instruments primarily pertain to the contingent consideration payable, which the Group had accounted for in connection with the acquisition of biosimilar business in previous years, as well as certain debentures issued by the Group. Fair valuation of these financial instruments involve application of complex pricing models	We have performed the following audit procedures in relation to the financial instruments: • Read the underlying agreements for these financial instruments to understand the terms of these instruments and tested the key contractual inputs. • Tested the design and operating effectiveness of the Group's control around the valuation of these financial instruments.

which involves high degree of subjectivity, including key assumptions such as probability of various outcomes related to the instruments regarding factors that are contractually agreed with the counterparties. As of 31 March 2025, the Group had Rs. 8,970 million in derivative liabilities arising on account of contingent consideration. The fair valuation of these financial instruments is categorized as 'Level 3' fair value measurement in the fair value hierarchy due to the significant unobservable inputs used in determining the fair value and the use of management judgment about the assumptions market participants would use in pricing the financial instruments. The Group engaged third party valuation experts (management's expert) to assist in determining the fair value of the financial instruments as described above. The valuation of these financial instruments are complex and requires significant judgment due to the use of complex pricing models and the high degree of subjectivity in evaluating certain assumptions required to estimate the fair value of these financial instruments. Accordingly, we have determined this to be a Key Audit Matter.	• Involved valuation specialists to assist in reviewing the valuation reports prepared by the Group's valuation experts. These specialists assessed the fair value of these instruments, evaluated the pricing model used for valuing the financial instruments, and tested the significant assumptions and reasonableness of the derivative component. • Reviewed the disclosures in the financial statements in relation to the financial instruments.

Taxation	
See Note 2(n), 34 and 38 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
he Group operates across various tax jurisdictions around the world and is subject to complexities with respect to various tax positions on matters such as: - deductibility of transactions - recoverability of deferred tax asset for subsidiary - Uncertainty in a tax position may arise as tax laws are subject to interpretation. Judgment is required in assessing the range of possible outcomes for some of these tax matters. These judgments could change over time as each of the matter progresses depending on the experience of actual assessment proceedings by tax authorities and other judicial precedents. The Group makes an assessment (including obtaining opinion from external legal experts)	We performed the following audit procedures: • Tested the design and operating effectiveness of the Group's controls around the tax computation and tax matters; • Obtained an understanding of the key uncertain tax positions based on list of ongoing litigations and tax computations for the current year; • Assessed the implications of correspondence received by the Group from the relevant tax authorities to identify any additional uncertain tax positions; • Assessed the Group's judgment regarding the eventual resolution of matters with various tax authorities. In this regard, we understood how the Group has considered past experience, where available, with the tax authorities in the

to determine the outcome of these uncertain tax positions and decides to make an accrual or consider it to be a possible contingent liability. Where the amount of tax liabilities are uncertain, the Group recognizes accruals which reflect its best estimate of the outcome based on the facts known in the relevant jurisdiction. Biocon Biologics Limited, has recognised deferred tax assets (DTA) carried forward losses (hereinafter referred to as "tax losses") and recognised MAT credit on the basis of the Company's assessment of availability of future taxable profit to offset such tax losses based on business projections. The recoverability of the deferred tax assets depends upon factors such as the projected taxable profitability of business and the period considered for such projections, the rate at which those profits will be taxed and the period over which tax losses will be available for recovery. The amount is material to the financial statements and significant judgement and estimate is involved in the preparation of forecasts of future taxable profits based on the underlying business plans. Considering the above, this was determined to be a Key Audit Matter for the engagement team during the audit for the year ended 31 March 2025.	respective jurisdictions; • Examined external tax counsel opinions and consultations obtained by the Group for key matters during current and past periods, as relevant; and • Involved tax specialists to assist us in evaluating the technical merits of tax position to form a judgement and the key assumptions made by the Group in tax computations and assessing the adequacy of the Group's disclosures in respect of contingent liabilities and provision for tax matters. • Understanding Management's selection and application of methods, selection of assumptions and data, used in estimates for assessment of recoverability of deferred tax assets on tax losses and MAT credit. • Involved tax specialists' to assess key assumptions made by the management for the recoverability of Deferred tax asset on tax losses. • Retrospective review of the projections used in the assessment when compared to historical performance and assessing the sensitivity of key assumptions.

Information Other than Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the Management reports such as Board Report, Management Discussion and Analysis, Corporate Governance Report and Business Responsibility Report, but does not include the financial statements and auditor's report thereon, which we obtained prior to the date of this auditor's report, and the remaining sections of the Annual Report, which are expected to be made available to us after that date.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other sections of Annual Report (other than those mentioned above), if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

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

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

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

The respective Board of Directors of the companies included in the Group of its associate and joint venture are responsible for overseeing the financial reporting process of each company.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its associate and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. We did not audit the financial information of one subsidiary, whose financial information reflects total assets (before consolidation adjustments) of Rs. 39,847 million as at 31 March 2025, total revenues (before consolidation adjustments) of Rs. 15,563 million and net cash outflows (before consolidation adjustments) amounting to Rs. 47 million for the year ended on that date, as considered in the consolidated financial statements. This financial information has been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

This subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which has been audited by other auditor under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial information of such subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditor on separate financial statements of such subsidiary as were audited by other auditor, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

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

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books 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 consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

   e. On the basis of the written representations received from the directors of the Holding Company as on 1 April 2025 and 3 April 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary, as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2025 on the consolidated financial position of the Group, its associate and joint venture. Refer Note 34 to the consolidated financial statements.

b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 36 to the consolidated financial statements in respect of such items as it relates to the Group, its associate and joint venture.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2025.

d (i) The respective management has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 45 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies, associate companies and joint venture companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies, associate companies and joint venture companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 45 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies, associate companies and joint venture companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies, associate companies and joint venture companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Holding Company and its subsidiary company incorporated in India during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 48 to the consolidated financial statements, the respective Board of Directors of the Holding Company and its subsidiary company incorporated in India have proposed final dividend for the year which is subject to the approval of the respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, except for the instances mentioned below, the Holding Company and its subsidiary companies which are companies incorporated in India whose financial statements have been audited under the Act, have used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares: (a) In respect of the Holding Company and its six subsidiary companies, the feature of recording audit trail (edit log) facility was not enabled (i) at the database level for the period from 1 April 2024 to 24 October 2024. Also, for one database user the audit trail was not enabled for the period from 1 April 2024 to 25 February 2025; (ii) at the application level for

certain fields / tables relating to all the significant processes and (iii) for certain changes at the application level which were performed by users having privileged access rights for the accounting software used for maintaining general ledger. (b) In respect of the Holding Company and its one subsidiary company, the feature of recording audit trail (edit log) facility was not enabled (i) at the database level to log any direct data changes and (ii) for certain changes at the application level which were performed by users having privileged access rights for the accounting software used for maintaining the books of account relating to consolidation.
Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with. Additionally, except where the audit trail was not enabled in the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanation given to us the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies are 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

Sudhir Soni

Partner

Membership No.: 041870

ICAI UDIN:25041870BMOMLG1589

Place: Mumbai

Date: 08 May 2025

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Biocon Limited for the year ended 31 March 2025

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

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

Sr. No.	Name of the entities	CIN	Holding Company/Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Biocon Limited	L24234KA1978 PLC003417	Holding	3(ix)(d)
2	Syngene Scientific Solutions Limited	U73200KA2022PLC164804	Subsidiary	3(ix)(d)
3	Syngene Manufacturing Solutions Limited	U24290KA2022 PLC165409	Subsidiary	3(xvii)
4	Biocon Biosphere Limited	U24304KA2019 PLC130965	Subsidiary	3(xvii)

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

Sudhir Soni
Partner
Membership No.: 041870
ICAI UDIN:25041870BMOMLG1589

Place: Mumbai
Date: 08 May 2025

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Biocon Limited for the year ended 31 March 2025

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

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

Opinion

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

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

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

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

Sudhir Soni

Partner

Membership No.: 041870

ICAI UDIN:25041870BMOMLG1589

Place: Mumbai

Date: 08 May 2025

BIOCON LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2025
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

	Note	March 31, 2025	March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	87,082	74,181
Capital work-in-progress	3	41,017	39,852
Right-of-use assets	4 (b)	6,042	5,745
Goodwill	4 (a)	1,67,857	1,63,724
Other intangible assets	4 (a)	58,652	62,786
Intangible assets under development	4 (a)	44,067	40,081
Financial assets			
(i) Investments	5	6,797	6,841
(ii) Derivative assets		1,874	2,657
(iii) Other financial assets	6	683	1,466
Deferred tax assets (net)	7	2,577	3,173
Income-tax assets (net)		3,706	4,129
Other non-current assets	8(a)	4,757	4,280
Total non-current assets		**4,25,111**	**4,08,915**
Current assets			
Inventories	9	49,311	49,439
Financial assets			
(i) Investments	10	4,473	3,156
(ii) Trade receivables	11	54,879	62,306
(iii) Cash and cash equivalents	12	32,271	12,336
(iv) Bank balances other than (iii) above	12	8,931	10,251
(v) Derivative assets		964	1,384
(vi) Other financial assets	6	4,559	5,769
Other current assets	8(b)	7,474	7,151
Total current assets		**1,62,862**	**1,51,792**
TOTAL ASSETS		**5,87,973**	**5,60,707**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13(a)	6,003	6,003
Other equity	13(b)	2,10,437	1,91,834
Equity attributable to owners of the Company		**2,16,440**	**1,97,837**
Non-controlling interests	13(b)	60,685	54,911
Total equity		**2,77,125**	**2,52,748**
Non-current liabilities			
Financial liabilities			
(i) Borrowings	14	1,24,054	1,29,324
(ii) Lease liabilities	15	5,391	4,924
(iii) Derivative liabilities		232	-
(iv) Other financial liabilities	16(a)	28,282	10,725
Provisions	17(a)	2,608	2,376
Deferred tax liabilities (net)	7	3,577	3,915
Other non-current liabilities	18(a)	3,366	3,107
Total non-current liabilities		**1,67,510**	**1,54,371**
Current liabilities			
Financial liabilities			
(i) Borrowings	19	53,501	27,972
(ii) Lease liabilities	15	674	547
(iii) Trade payables	20		
-total outstanding dues of micro enterprises and small enterprises; and		1,315	958
-total outstanding dues of creditors other than micro enterprises and small enterprises		64,172	61,762
(iv) Derivative liabilities		455	12
(v) Other financial liabilities	16(b)	9,326	50,005
Other current liabilities	18(b)	10,248	7,768
Provisions	17(b)	1,916	1,795
Current tax liabilities, (net)		1,731	2,769
Total current liabilities		**1,43,338**	**1,53,588**
TOTAL LIABILITIES		**3,10,848**	**3,07,959**
TOTAL EQUITY AND LIABILITIES		**5,87,973**	**5,60,707**

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

As per our report of even date attached

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

Sudhir Soni
Partner
Membership No.: 041870

Mumbai
May 08, 2025

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

Kiran Mazumdar-Shaw
Executive Chairperson
DIN: 00347229

Siddharth Mittal
Managing Director & CEO
DIN: 03230757

Mukesh Kamath
Interim Chief Financial Officer

Bengaluru
May 08, 2025

BIOCON LIMITED ★ BANGALORE ★

BIOCON LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	21	1,52,617	1,47,557
Other income	22	12,082	8,655
Total income (I)		**1,64,699**	**1,56,212**
Expenses			
Cost of materials consumed	23	42,767	50,719
Purchases of stock-in-trade		6,266	6,827
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	2,942	(8,567)
Employee benefits expense	25	31,444	26,641
Finance costs	26	8,974	9,744
Depreciation and amortisation expense	27	16,870	15,688
Other expenses	28	39,011	39,788
		1,48,274	**1,40,840**
Less: Recovery of cost from co-development partners (net)		(1,476)	(838)
Total expenses (II)		**1,46,798**	**1,40,002**
Profit before tax, share of profit/(loss) of joint venture and associates and exceptional items (I-II)		**17,901**	**16,210**
Share of loss of joint venture and associates, (net)		-	(842)
Profit before tax and exceptional items		**17,901**	**15,368**
Exceptional items, (net)	32	965	(116)
Profit before tax		**18,866**	**15,252**
Tax expense			
Current tax	38	3,693	3,143
Deferred tax (credit) / charge			
MAT credit written off/ utilisation (net of entitlements) [refer note 38]		554	(774)
Other deferred tax		325	(95)
Total tax expense		**4,572**	**2,274**
Profit for the year		**14,294**	**12,978**
Other comprehensive income (OCI)			
(i) Items that will not be reclassified subsequently to profit or loss			
Re-measurement on defined benefit plans		(64)	(81)
Equity instruments through OCI		(84)	217
Income tax effect		(26)	30
		(174)	**166**
(ii) Items that may be reclassified subsequently to profit or loss			
Effective portion of gains/ (losses) on hedging instrument in cash flow hedges		(1,622)	2,887
Exchange difference on translation of foreign operations, including effective portion of net investment hedges		5,692	1,509
Income tax effect		471	(695)
		4,541	**3,701**
Other comprehensive income for the year, net of taxes		**4,367**	**3,867**
Total comprehensive income for the year		**18,661**	**16,845**
Profit attributable to:			
Shareholders of the Company		10,133	10,225
Non-controlling interests		4,161	2,753
Profit for the year		**14,294**	**12,978**
Other comprehensive income attributable to:			
Shareholders of the Company		3,563	2,688
Non-controlling interests		804	1,179
Other comprehensive income for the year		**4,367**	**3,867**
Total comprehensive income attributable to:			
Shareholders of the Company		13,696	12,913
Non-controlling interests		4,965	3,932
Total comprehensive income for the year		**18,661**	**16,845**
Earnings per equity share	31		
From continuing operations			
Basic (in Rs.)		8.46	8.55
Diluted (in Rs.)		8.46	8.54

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

As per our report of even date attached

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

Sudhir Soni
Partner
Membership No.: 041870

Mumbai
May 08, 2025

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

Kiran Mazumdar-Shaw
Executive Chairperson
DIN: 00347229

Siddharth Mittal
Managing Director & CEO
DIN: 03230757

Mukesh Kamath
Interim Chief Financial Officer

Bengaluru
May 08, 2025

BIOCON LIMITED * BANGALORE *

BIOCON LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

(A) Equity share capital	March 31, 2025	March 31, 2024
Opening balance	6,003	6,003
Issued during the period	-	-
Closing balance	**6,003**	**6,003**

(B) Other equity

Particulars	Attributable to owners of the Company														Non-controlling interests ('NCI')	Total
	Reserves and surplus										Items of other comprehensive income			Total other equity		
	Securities premium	Revaluation reserve	Debenture redemption reserve	Capital redemption reserve	Capital reserve	General reserve	Retained earnings	SEZ Re-investment reserve	Share based payment reserve	Treasury shares	Foreign currency translation reserve	Cash flow hedging reserves	Other items of other comprehensive income*			
Balance at April 01, 2023	**1,735**	**9**	**1,363**	**1,292**	**801**	**1,617**	**1,60,859**	**-**	**2,740**	**(971)**	**4,707**	**182**	**(1,668)**	**1,72,666**	**46,219**	**2,18,885**
Profit for the year	-	-	-	-	-	-	10,225	-	-	-	-	-	-	10,225	2,753	12,978
Other comprehensive income/ (loss), net of tax	-	-	-	-	-	-	-	-	-	-	1,509	983	196	2,688	1,179	3,867
Total comprehensive income/ (loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**10,225**	**-**	**-**	**-**	**1,509**	**983**	**196**	**12,913**	**3,932**	**16,845**
Transfer to Special Economic Zone ('SEZ') re-investment reserve	-	-	-	-	-	-	(650)	650	-	-	-	-	-	-	-	-
Transfer from SEZ re-investment reserve on utilisation	-	-	-	-	-	-	650	(650)	-	-	-	-	-	-	-	-
Transactions with Owners directly recorded in equity:																
Share based payment	-	-	-	-	-	-	-	-	999	-	-	-	-	999	-	999
Net impact of lease transfer	-	-	-	-	-	261	-	-	-	-	-	-	-	261	-	261
Change in fair value of gross liability on written put options	-	-	-	-	-	-	(989)	-	-	-	-	-	-	(989)	-	(989)
Acquisition of business [refer note 42B]	-	-	-	-	39	-	-	-	-	-	-	-	-	39	-	39
Issue of shares by a subsidiary	-	-	-	-	-	-	7,399	-	-	-	-	-	-	7,399	5,001	12,400
Dividend paid on equity shares (including to NCI)	-	-	-	-	-	-	(1,801)	-	-	-	-	-	-	(1,801)	(226)	(2,027)
Exercise of share options	550	-	-	-	-	-	335	-	(538)	-	-	-	-	347	(15)	332
Balance at March 31, 2024	**2,285**	**9**	**1,363**	**1,292**	**840**	**1,878**	**1,76,028**	**-**	**3,201**	**(971)**	**6,216**	**1,165**	**(1,472)**	**1,91,834**	**54,911**	**2,46,745**
Profit for the year	-	-	-	-	-	-	10,133	-	-	-	-	-	-	10,133	4,161	14,294
Other comprehensive income/ (loss), net of tax	-	-	-	-	-	-	-	-	-	-	5,692	(1,944)	(185)	3,563	804	4,367
Total comprehensive income/ (loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**10,133**	**-**	**-**	**-**	**5,692**	**(1,944)**	**(185)**	**13,696**	**4,965**	**18,661**
Transfer to Special Economic Zone ('SEZ') re-investment reserve	-	-	-	-	-	-	(360)	360	-	-	-	-	-	-	-	-
Transfer from SEZ re-investment reserve on utilisation	-	-	-	-	-	-	360	(360)	-	-	-	-	-	-	-	-
Gain on sale of shares in a subsidiary [refer note 32(a)]	-	-	-	-	-	-	5,689	-	-	-	-	-	-	5,689	882	6,571
Transactions with Owners directly recorded in equity:																
Share based payment	-	-	-	-	-	-	-	-	1,344	-	-	-	-	1,344	-	1,344
Change in fair value of gross liability on written put options	-	-	-	-	-	-	(1,718)	-	-	-	-	-	-	(1,718)	-	(1,718)
Transfer from Debenture redemption reserve	-	-	(54)	-	-	-	54	-	-	-	-	-	-	-	-	-
Dividend paid on equity shares (including to NCI)	-	-	-	-	-	-	(600)	-	-	-	-	-	-	(600)	(229)	(829)
Exercise of share options	296	-	-	-	-	-	5	-	(296)	187	-	-	-	192	156	348
Balance at March 31, 2025	**2,581**	**9**	**1,309**	**1,292**	**840**	**1,878**	**1,89,591**	**-**	**4,249**	**(784)**	**11,908**	**(779)**	**(1,657)**	**2,10,437**	**60,685**	**2,71,122**

* Refer Note 35 for remeasurement gain/(loss) on defined benefit obligations.

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

As per our report of even date attached

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

Sudhir Soni
Partner
Membership No.: 041870

Mumbai
May 08, 2025

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

Kiran Mazumdar-Shaw
Executive Chairperson
DIN: 00347229

Siddharth Mittal
Managing Director & CEO
DIN: 03230757

Mukesh Kamath
Interim Chief Financial Officer

Bengaluru
May 08, 2025

BIOCON LIMITED * BANGALORE *

BIOCON LIMITED
STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

		March 31, 2025	March 31, 2024
I	**Cash flows from operating activities**		
	Profit for the year	**14,294**	**12,978**
	Adjustments to reconcile profit for the year to net cash flows		
	Depreciation and amortisation expense	16,870	15,688
	Tax expense	4,572	2,274
	Unrealised foreign exchange gain	(576)	(1,054)
	Share-based compensation expense	1,370	1,006
	Provision/ (reversal) of doubtful debts, (net)	260	(182)
	Bad debts written off	30	11
	Interest expense	8,974	9,744
	Interest income	(1,087)	(1,613)
	Net loss/ (gain) on financial instruments measured at fair value through profit or loss	798	(1,015)
	Net gain on sale of current investments	(383)	(686)
	Loss on sale of property, plant and equipment (net)	76	12
	Gain on dilution of interest in a associate [refer note 44]	-	(1,053)
	Gain on loss of significant influence [refer note 44]	-	(4,254)
	Share of loss of joint venture/ associates	-	842
	Gain on slump sale (net)	(10,573)	-
	Dividend income	(28)	-
	Other non-cash items	81	-
	Exceptional items, (net) (refer note 32)	1,300	6,116
	Operating profit before changes in operating assets and liabilities	**35,978**	**38,814**
	Movement in operating assets and liabilities		
	Increase in inventories	(3)	(8,864)
	Decrease / (Increase) in trade receivables	5,482	(24,174)
	increase in other assets	(2,057)	(2,679)
	Increase in trade payables, other liabilities and provisions	5,808	29,365
	Cash generated from operations	**45,208**	**32,462**
	Income taxes paid (net of refunds)	(4,596)	(2,923)
	Net cash flow generated from operating activities	**40,612**	**29,539**
II	**Cash flows from investing activities**		
	Purchase of property, plant and equipment	(21,366)	(16,805)
	Purchase of intangible assets	(2,067)	(2,511)
	Proceeds from sale of property, plant and equipment	3	233
	Proceeds from sale of shares in subsidiary	6,832	-
	Purchase of non-current investments	75	-
	Purchase of current investments	(82,262)	(37,708)
	Consideration paid for business acquisition [refer note 42A & 42B]	-	(5,532)
	Proceeds from sale of current investments	81,098	39,682
	Investment in bank deposits and inter-corporate deposits	(20,155)	(15,632)
	Redemption/ maturity of bank deposits and inter-corporate deposits	22,909	26,782
	Consideration of sale of business [refer note 42C]	11,420	-
	Interest received	1,144	1,446
	Dividend received	28	-
	Net cash flow used in investing activities	**(2,341)**	**(10,045)**
III	**Cash flows from financing activities**		
	Proceeds from issuance of shares by subsidiary	5	-
	Proceeds from exercise of share options	99	307
	Proceeds from non-current borrowings	96,582	5,718
	Proceeds from Non-recourse factoring arrangement	1,067	-
	Repayment of non-current borrowings	(97,699)	(27,678)
	Proceeds from issuance of debentures	-	8,000
	Proceeds from current borrowings (net of repayments)	6,846	1,248
	Dividend paid on equity shares (including to NCI)	(829)	(2,030)
	Payment of deferred consideration related to acquisition of biosimiliars business from Viatris	(16,881)	-
	Repayment of lease liabilities, (net)	(1,388)	(418)
	Interest paid	(6,342)	(8,474)
	Net cash flow used in financing activities	**(18,540)**	**(23,327)**
IV	**Net increase/ (decrease) in cash and cash equivalents (I + II + III)**	**19,731**	**(3,833)**
V	Effect of exchange differences on cash and cash equivalents held in foreign currency	312	29
VI	Cash and cash equivalents at the beginning of the year	9,195	12,999
VIII	**Cash and cash equivalents at the end of the year (IV + V + VI + VII)**	**29,238**	**9,195**

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BIOCON LIMITED BANGALORE

BIOCON LIMITED
STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

	March 31, 2025	March 31, 2024
Reconciliation of cash and cash equivalents as per statement of cash flows		
Cash and cash equivalents [note 12]		
Balances with banks - on current accounts	19,488	11,636
on unpaid dividend accounts*	4	2
Deposits with original maturity of less than 3 months	12,779	698
	32,271	**12,336**
Cash credits [note 19]	(3,033)	(3,141)
Balance as per statement of cash flows	**29,238**	**9,195**

*The Group can utilize these balances only towards settlement of the respective unpaid dividend liabilities.

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

	Opening balance April 1, 2024	Cash flows	Non-cash movement	Closing balance March 31, 2025
Non- current borrowings (including current maturities)	1,35,804	(1,117)	8,321	1,43,008
Current borrowings	18,351	7,913	5,250	31,514
Interest accrued but not due	176	(6,342)	8,652	2,486
Lease liabilities (including current)	5,471	(1,388)	1,982	6,065
Total liabilities from financing activities	**1,59,802**	**(934)**	**24,205**	**1,83,073**

	Opening balance April 1, 2023	Cash flows	Non -cash movement	Closing balance March 31, 2024
Non- current borrowings (including current maturities)	1,52,905	(21,960)	4,859	1,35,804
Current borrowings	24,515	1,248	(7,412)	18,351
Interest accrued but not due	202	(8,474)	8,448	176
Lease liabilities (including current)	2,481	(418)	3,408	5,471
Total liabilities from financing activities	**1,80,103**	**(29,604)**	**9,303**	**1,59,802**

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

As per our report of even date attached

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

Sudhir Soni
Partner
Membership No.: 041870

Mumbai
May 08, 2025

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

Kiran Mazumdar-Shaw
Executive Chairperson
DIN: 00347229

Siddharth Mittal
Managing Director & CEO
DIN: 03230757

Mukesh Kamath
Interim Chief Financial Officer

BIOCON LIMITED * BANGALORE *

Mumbai
May 08, 2025

1. Company Overview

1.1 Reporting entity

Biocon Limited ("Biocon" or the "parent company" or "the Company"), together with its subsidiaries, joint venture and associates (collectively, the "Group") is engaged in the manufacture of biotechnology products and research services. The Company is a public limited company incorporated and domiciled in India and has its registered office in Biocon Campus, 20th KM, Hosur Road, Electronic City, Bengaluru – 560 100. The Company's shares are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) in India.

1.2 Basis of preparation of financial statements

a. *Statement of compliance*

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

These consolidated financial statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2025.

The Group has net current asset position of Rs. 19,524 as at March 31, 2025. The Group has assessed its financial position as at March 31, 2025 and its forecasts for a period of fifteen months from the date of these financial statements. As part of this assessment, Management has considered the Put option obligation entered by the Group with certain financial investors to provide exit to the investors as described in note 16(a).

Management has assessed its ability to re-negotiate the exit terms with financial investors, ability to raise funds as stated in Note 48 (d), re-finance its existing borrowings and support liquidity from its non current assets. Based on these factors, management believes that the Group has sufficient financial resources available to it at the date of approval of these financial statements and has prepared its financial statements under going concern assumption.

These consolidated financial statements are approved for issuance by the Company's Board of Directors on May 08, 2025.

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

b. *Functional and presentation currency*

These consolidated financial statements are presented in Indian rupees (INR), which is also the functional currency of the parent Company. All amounts have been rounded-off to the nearest million, unless otherwise indicated. In respect of subsidiaries and associates whose operations are self-contained and integrated, the functional currency has been determined to be the currency of the primary economic environment in which the entity operates.

c. *Basis of measurement*

These consolidated financial statements have been prepared on the historical cost basis (i.e. on accrual basis), except for the following items:

- Derivative Financial Instruments at fair value
- Certain financial assets and liabilities are measured at fair value;
- Net defined benefit assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations
- Contingent consideration assumed in a business combination at fair value
- Non-Convertible Debentures with variable coupon linked to equity shares of the subsidiary at fair value
- Non derivative financial instruments at Fair Value Through Profit and Loss (FVTPL)

d. *Use of estimates and judgements*

The preparation of the consolidated 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 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 financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Judgements

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

• Note 1.2(b)	— Assessment of functional currency;
• Note 2(c) and 36	— Financial instruments;
• Note 2(d), 2(e) and 3	— Useful lives of property, plant and equipment and other intangible assets
• Note 2(j) and 35	— measurement of defined benefit obligation; key actuarial assumptions;
• Note 30	— Share based payments;
• Note 2(n), 7 and 38	— Provision for income taxes and related tax contingencies and evaluation of recoverability of deferred tax assets
• Note 2(l) and 21	— Revenue Recognition: whether revenue from sale of product and licensing income is recognized over time or at a point in time;
• Note 16	— Liability on written put options;

e. ***Assumptions and estimation uncertainties***

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2025 is included in the following notes:

- Note 2(i) – impairment test of non-financial assets; key assumptions underlying recoverable amounts including the recoverability of expenditure on internally-generated intangible assets;
- Note 2(n), 7 and 38 – recognition of deferred tax assets: uncertain tax treatment;
- Note 2(l) and 21 - Revenue Recognition; estimate of expected returns, chargebacks, rebates and other allowances;
- Note 17 and 34– recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 2(j) and 35 – measurement of defined benefit obligations: key actuarial assumptions; and
- Note 36 – impairment of financial assets : underlying recoverable amount;
- Note 2(i) and 43 - impairment test of goodwill: key assumptions underlying recoverable amounts, including the recoverability of development costs; and
- Note 42 - acquisition of business: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis.

f. ***Measurement of fair values***

A number of the Group'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).

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group 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.

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The Group 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 30 – Share-based payment arrangements
- Note 36 – Financial instruments
- Note 42 – Business Combination

2. Material accounting policies

a. *Basis of consolidation*

i. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the Group are consolidated on line-by-line basis. Intra-group transactions, balances and any unrealised gains arising from intra-group transactions, are eliminated. Unrealised losses are eliminated, but only to the extent that there is no evidence of impairment. All temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions are recognised as per Ind AS 12, *Income Taxes.*

For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

ii. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in statement of profit or loss.

iii. Associates and joint arrangements (equity accounted investees)

The Group's interests in equity accounted investees comprise interests in associates and a joint venture.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint venture are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income (OCI) of equity- accounted investees until the date on which significant influence or joint control ceases.

iv. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

b. *Foreign currency*

i. 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, except exchange differences arising from the translation of the qualifying cash flow hedges to the extent that the hedges are effective which are recognised in OCI.

ii. Foreign operations

The assets and liabilities of foreign operations (subsidiaries, associates, joint arrangements) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR 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.

Foreign currency translation differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

c. 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 Group 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.

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;
- Fair value through other comprehensive income – equity investment; or
- Fair value through profit and loss

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group 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
- 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 Group 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.

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Financial instruments (continued)

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 Group 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: Subsequent measurement and gains and losses

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 or loss. However, see Note 36 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 or loss. Any gain or loss on derecognition is recognised in statement of profit or 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 or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit or 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 profit or 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 or 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 or loss. Any gain or loss on derecognition is also recognised in statement of profit or loss.

iii. *De-recognition of financial instruments*

Financial assets

The Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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

Financial liabilities

The Group de-recognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also de-recognises 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 or loss.

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iv. ***Offsetting***

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

v. ***Derivative financial instruments and hedge accounting***

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

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

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

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

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is 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 profit or loss.

vi. ***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

vii. ***Treasury shares***

The Group has created an Employee Welfare Trust (EWT) for providing share-based payment to its employees. Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. When the treasury shares are issued to the employees by EWT, the amount received is recognised as an increase in equity and the resultant gain / (loss) is transferred to / from securities premium.

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viii. ***Cash and cash equivalents***

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

ix. ***Cash dividend to equity holders***

The Group 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 Group. 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.

d. 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 comprises its purchase price including import duty and non refundable taxes or levies, any other costs 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.

Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised.

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 or loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and cost can be measured reliably

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown 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 Group 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	Assets Classification	Management estimate of useful life	Useful life as per Schedule II
Building	Building	25-30 years	30 years
Roads	Building	5-12 years	5 years
Plant and equipment (including Electrical installation and Lab equipment)	Plant and Machinery	9-15 years	8-20 years
Computers and servers	Plant and Machinery	3 years	3-6 years
Office equipment	Plant and Machinery	3- 5 years	5 years
Research and development equipment	Research and development equipment	9 years	5-10 years
Furniture and fixtures	Furniture and fixtures	6 years	10 years
Vehicles	Vehicles	6 years	6-10 years
Leasehold improvements	Leasehold improvements	5 years or lease period whichever is lower	
Leasehold land	Land	90 years or lease period whichever is lower	

Property, plant and equipment (continued)

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.

e. Goodwill and other intangible assets

i. *Goodwill*

For measurement of goodwill that arises on a business combination. Subsequent measurement is at cost less any accumulated impairment losses.

ii. *Other intangible assets*

Internally generated: Research and development

Expenditure on research activities is recognised in statement of profit or 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 Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in statement of profit or 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 amortization and any accumulated impairment losses.

iii. *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 or loss as incurred and cost can be measured reliably.

iv. *Amortisation*

Goodwill is not amortised and is tested for impairment annually.

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

— Computer software	3-5 years
— Marketing and Manufacturing rights	8-15 years
— Developed technology rights	8-15 years
— Brands	8-15 years
— Customer related intangibles	5 years

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

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f. Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Based on technical evaluation and consequent advice, the management believes a period of 25 years as representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Group depreciates investment properties over a period of 25 years on a straight-line basis. The useful life estimate of 25 years is different from the indicative useful life of relevant type of buildings mentioned in Part C of Schedule II to the Act i.e. 30 years.

Any gain or loss on disposal of an investment property is recognised in statement of profit or loss.

g. Business combination

In accordance with Ind AS 103, Business combinations, the Group accounts for business combinations after acquisition date using the acquisition method when control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred in the acquisition is generally measured at fair value as at the date the control is acquired (acquisition date), as are the identifiable net assets acquired. Any gain on a bargain purchase is recognised in the OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, then gain on a bargain purchase is recognised directly in equity as capital reserve.

Transaction costs/ acquisition related costs are expensed as incurred and services are received, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the statement of profit and loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration (or right to receive excess contingent consideration transferred) that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group reports in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Group retrospectively adjusts the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

During the measurement period, the Group also recognises additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date.

The measurement period ends as soon as the Group receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable but does not exceed one year from the acquisition date.

Business combinations – common control transaction

Business combination involving entities that are controlled by the group is accounted for at carrying value. No adjustments are made to reflect the fair values, or recognise any new assets or liabilities except to harmonise accounting policies. The financial information in the consolidated financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of combination. The identity of the reserves are preserved and the reserves of transferor becomes the reserves of the transferee. The difference, if any between the amounts recorded as share capital issued plus any additional consideration in the form of cash and the amounts of share capital of the transferor is transferred to amalgamation adjustment reserves and is presented separately from other capital reserves.

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h. 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.

Provisions are made towards slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which consideration of product lines and market conditions.

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, 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.

i. Impairment

i. Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Group 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. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

ii. Impairment of non-financial assets

The Group assesses 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 CGU exceeds its estimated recoverable amount in the statement of profit or loss.

Goodwill is tested annually for impairment. For the purpose of impairment testing, goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

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 Group's non-financial 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 Group of CGUs) on a pro rata basis.

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

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j. 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:"

Gratuity

The Group provides for gratuity, a defined benefit plan ("the Gratuity Plan") covering the eligible employees of the Company and its Indian subsidiaries. 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 Group.

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 Group 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 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.

Provident Fund

Eligible employees of the Company and its Indian subsidiaries receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the respective Companies 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 Companies have no further obligation to the plan beyond its monthly contributions.

iii. Compensated absences

The Group 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 is the period in which the absences occur.

iv. Share-based compensation

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee 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 Group is recognised as an employee expense.

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 "share based payment 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 (Black-Scholes-Merton). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.

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k. 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 Group 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 Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the 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 Group recognises any impairment loss on the assets associated with that contract.

l. Revenue from contracts with customers

The Group has implemented new standard Ind-AS 115 'Revenue from Contracts with Customers' effective April 1, 2018 using cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application. The Group has evaluated its open arrangements on out-licensing with reference to upfront non-refundable fees received in earlier periods and concluded that some of the performance obligations may not be distinct and hence would need to be bundled with the subsequent product supply obligations. Accordingly standard is applied retrospectively only to contracts that were not completed as at the date of initial application.

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 recognized (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.

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

Provision for chargeback, rebates and discounts

Revenues are recorded net of provisions for variable consideration, including discounts, rebates, governmental rebate programs, price adjustments, returns, chargebacks, promotional programs and other sales allowances. Accruals for these provisions are presented in the consolidated financial statements as reductions in determining net sales and as a contra asset in accounts receivable, net (if settled via credit) and trade payables (if paid in cash).

Provisions for chargeback, rebates, discounts and Medicaid payments are estimated and provided for in the year of sales and recorded as reduction of revenue. A chargeback claim is a claim made by the wholesalers for the difference between the price at which the product is initially invoiced to the wholesaler and the net price at which it is agreed to be procured from the Company. Provisions for such chargebacks are accrued and estimated based on historical average chargeback rate actually claimed over a period of time, current contract prices with wholesalers/other customers and estimated inventory holding by the wholesalers/other customers.

Amounts recorded for revenue deductions can result from a complex series of judgements about future events and uncertainties and can rely heavily on estimates and assumptions.

ii. Milestone payments and out licensing arrangements

The Group 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 Group 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 of 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 underlying sales are incurred.

The Group recognises a deferred income (contract liability) if consideration has been received (or has become receivable) before the Group 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 Group 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. Contract research and manufacturing services income:

Revenue is recognised upon transfer of control of promised services or compounds to customers in an amount that reflects the consideration we expect to receive in exchange for those services or compounds.

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

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

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

In respect of contracts involving sale of compounds arising out of contract research, revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment to the customer. 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. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

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

***iv.* Royalty income and profit share**

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

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Revenue from contracts with customers (Continued)

v. Sales Return Allowances

The Group 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 Group's estimate of expected sales returns. The estimate of sales return is determined primarily by the Group's historical experience in the markets in which the Group operates.

vi. Dividends

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

vii. Rental income

Rental income from investment property is recognised in statement of profit or loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

viii. 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 Group capitalises the gross cost of these assets as the Group controls these assets.

ix. Interest income and expense

Interest income or expense is recognised using the effective interest method.

m. Government grants

The Group recognizes 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 amortized 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.

n. Income taxes

Income tax comprises of current and deferred income tax. Income tax expense is recognised in statement of profit or 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. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

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 or simultaneously.

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the 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 Group 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 realized.

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 utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future. The Group 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.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

o. 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.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

p. Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per 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.

q. Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairperson and Managing Director of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the Chief Operating Decision Maker (CODM). All operating segments' operating results are reviewed regularly by the CODM to make decisions about resources to be allocated to the segments and assess their performance.

r. Leases

(i) The Group as lessee:

The Group 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 assesses whether a contract conveys the right to control use of an identified asset, the Group assesses whether:

- The contract involves use of an identified asset;
- The Group has substantially all the economic benefits from the use of the asset through the period of lease; and
- The Group has the right to direct the use of an asset.

At the date of commencement of lease, the Group 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 Group 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 Group 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.

(ii) The Group as a Lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating lease.

s. Operating cycle

The Group 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 an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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 Group's normal operating cycle is twelve months.

t. Exceptional items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities 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 Group.

u. Recent pronouncements

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

Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

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

Particulars	Land	Buildings	Leasehold improvements	Plant and equipment	Research & development equipment	Furniture and fixtures	Vehicles	Total	Capital work-in-progress
	[Refer note (a)]			[Refer note (c)]					[Refer note (d)]
Gross carrying amount									
At April 01, 2023	**2,918**	**20,814**	**2,518**	**90,908**	**3,910**	**2,259**	**185**	**1,23,512**	**25,875**
Additions	434	2,255	168	6,864	453	201	50	10,425	24,249
Disposals/transfers	-	(11)	-	(1,575)	(49)	(38)	(34)	(1,707)	(10,425)
Other adjustments									
- Foreign currency translation adjustment	21	112	-	254	-	1	-	388	153
At March 31, 2024	**3,373**	**23,170**	**2,686**	**96,451**	**4,314**	**2,423**	**201**	**1,32,618**	**39,852**
Additions	315	3,114	933	17,129	140	242	110	21,983	22,928
Disposals/transfers	-	(4)	-	(996)	(132)	(2)	(71)	(1,205)	(21,983)
Other adjustments									
- Foreign currency translation adjustment	38	212	-	476	-	3	1	730	220
At March 31, 2025	**3,726**	**26,492**	**3,619**	**1,13,060**	**4,322**	**2,666**	**241**	**1,54,126**	**41,017**
Accumulated depreciation									
At April 01, 2023	**-**	**6,018**	**100**	**40,761**	**2,495**	**1,282**	**87**	**50,743**	**-**
Depreciation for the year	-	866	131	7,410	256	240	26	8,929	-
Disposals	-	(5)	-	(1,328)	(49)	(37)	(22)	(1,441)	-
Other adjustments									
- Foreign currency translation adjustment	-	27	-	178	-	1	-	206	-
At March 31, 2024	**-**	**6,906**	**231**	**47,021**	**2,702**	**1,486**	**91**	**58,437**	**-**
Depreciation for the year	-	919	180	7,766	274	258	19	9,416	-
Disposals	-	(2)	-	(963)	(104)	(2)	(31)	(1,102)	-
Other adjustments									
- Foreign currency translation adjustment	-	57	-	234	-	2	-	293	-
At March 31, 2025	**-**	**7,880**	**411**	**54,058**	**2,872**	**1,744**	**79**	**67,044**	**-**
Net carrying amount									
At March 31, 2024	3,373	16,264	2,455	49,430	1,612	937	110	74,181	39,852
At March 31, 2025	**3,726**	**18,612**	**3,208**	**59,002**	**1,450**	**922**	**162**	**87,082**	**41,017**

(a) Land includes land held on lease under perpetual basis: Gross carrying amount Rs 661 (March 31, 2024 - Rs 661); Net carrying amount Rs 661 (March 31, 2024 - Rs 661).

(b) The Group capitalises its cost of general borrowings at the rates mentioned in note 14 and note 19. Borrowing costs capitalised during the year amounted to Rs. 4,102 (March 31, 2024 - Rs. 2,753).

(c) Plant and equipment include computers and office equipment.

(d) Capital work-in-progress as on March 31, 2025, mainly comprises new biopharmaceutical and research manufacturing units.

(e) For details of security on certain property, plant and equipment, [refer note 14]

(f) During the year, Syngene's business expanded into manufacturing and following a technical evaluation, it revised the estimated useful life of its manufacturing assets, which include Plant and Machinery and Equipment, effective from April 1, 2024. As a result of this change in accounting estimate, the depreciation expense for these assets has decreased by Rs. 206 for the year ended March 31, 2025.

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

Capital work in progress ageing schedule :-

	Amount in CWIP for a period of				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	17,967	15,281	3,509	4,260	41,017
At March 31, 2025	**17,967**	**15,281**	**3,509**	**4,260**	**41,017**
Projects in progress	20,614	6,538	6,936	5,764	39,852
At March 31, 2024	**20,614**	**6,538**	**6,936**	**5,764**	**39,852**

(i) There are no capital work-in-process which is temporarily suspended as at March 31, 2025 and as on March 31, 2024.

(ii) The on-going projects with respect to Generics segment are subject to various phases of validations and related approvals. There are no pre-determined completion dates for these on-going projects as these are dependent on obtaining regulatory approvals.

The details of the projects whose completion date is overdue in respect of Biosimilars and Research segment are as below:

	To be completed in				
Projects in progress	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Project 2	2,513	-	-	-	2,513
Project 3*	-	-	-	-	-
Project 5	3,876	-	-	-	3,876
Project 9	13	3	40	33	89
Project 10*	-	-	-	-	-
Project 11*	-	-	-	-	-
At March 31, 2025	**6,402**	**3**	**40**	**33**	**6,478**
Project 2	2,750	-	-	-	2,750
Project 3	6,563	-	-	-	6,563
Project 5	2,892	-	-	-	2,892
Project 9	3	40	33	-	76
Project 10	97	1	-	-	98
Project 11	502	21	-	-	523
At March 31, 2024	**12,807**	**62**	**33**	**-**	**12,902**

*Project 3, 10 and 11 are capitalised during the year

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4 (a). Intangible assets

Particulars	Goodwill	Other intangible assets			Intangible assets under development
		Computer software	Product related intangibles (including Licences, Brands and Patents)	Total	
Gross carrying amount					
At April 01, 2023	**161,362**	**1,706**	**63,623**	**65,329**	**47,295**
Additions	-	1,395	8,709	10,104	3,479
Assets acquired through Business Combination	69	-	-	-	-
Disposals/transfers	-	(1)	(9)	(10)	(7,291)
Impairment during the year [refer note 32]	-	-	(21)	(21)	(3,924)
Other adjustments					
- Foreign currency translation adjustment	2,293	1	1,097	1,098	522
At March 31, 2024	**163,724**	**3,101**	**73,399**	**76,500**	**40,081**
Additions	-	467	709	1,176	2,311
Assets acquired through Business Combination	-	-	-	-	-
Disposals/transfers	-	(8)	-	(8)	(270)
Impairment during the year [refer note 32]	-	-	(86)	(86)	(6)
Other adjustments					
- Foreign currency translation adjustment	4,133	2	1,516	1,518	1,951
At March 31, 2025	**167,857**	**3,562**	**75,538**	**79,100**	**44,067**
Accumulated amortisation					
At April 01, 2023	-	**1,141**	**6,224**	**7,365**	-
Amortisation for the year	-	347	5,948	6,295	-
Disposal	-	(10)	-	(10)	-
Impairment during the year [refer note 32]	-	-	(9)	(9)	-
Other adjustments					
- Foreign currency translation adjustment	-	1	72	73	-
At March 31, 2024	-	**1,479**	**12,235**	**13,714**	-
Amortisation for the year	-	467	6,392	6,859	-
Disposal	-	(6)	(6)	(12)	-
Impairment during the year [refer note 32]	-	-	-	-	-
Other adjustments					
- Foreign currency translation adjustment	-	1	(114)	(113)	-
At March 31, 2025	-	**1,941**	**18,507**	**20,448**	-
Net carrying amount					
At March 31, 2024	163,724	1,622	61,164	62,786	40,081
At March 31, 2025	**167,857**	**1,621**	**57,031**	**58,652**	**44,067**

(a) Borrowing cost capitalised during the year amounted to Rs 1,782 (March 31, 2024: Rs 2,136).
(b) Refer note 43 for impairment assessment of Goodwill.

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4 (a). Intangible assets under development (continued)

Intangible assets under development ageing schedule:-

	Amount in Intangible assets under development for a period of				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	3,250	4,033	34,302	2,482	44,067
At March 31, 2025	**3,250**	**4,033**	**34,302**	**2,482**	**44,067**
Projects in progress	6,861	32,588	149	483	40,081
At March 31, 2024	**6,861**	**32,588**	**149**	**483**	**40,081**

(i) There are no intangible assets under development which are temporarily suspended as at March 31, 2025 and as at March 31, 2024.

(ii) The intangible assets under development includes intangibles for generics amounting to Rs.146 which are subject to various phases of trial run and related approvals. There are no pre-determined completion dates for these assets as these are dependent on obtaining regulatory approvals.

The details of the projects whose completion date is overdue in respect of Biosimilars segment are as below:

	To be completed in				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress					
Project 1	6,962	-	-	-	6,962
Project 2	5,325				5,325
At March 31, 2025	**12,287**	-	-	-	**12,287**
Projects in progress					
Project 1	-	6,835	-	-	6,835
Project 2		5,195			5,195
At March 31, 2024	-	**12,030**	-	-	**12,030**

4 (b). Right-of-use assets

	Right-of-use assets			
Particulars	**Land**	**Buildings**	**Vehicles**	**Total**
Gross carrying amount				
At April 01, 2023	**374**	**2,517**	**120**	**3,011**
Additions	-	4,927	273	5,200
Disposals	-	(1,745)	(7)	(1,752)
At March 31, 2024	**374**	**5,699**	**386**	**6,459**
Additions	-	798	349	1,147
Disposals	-	(493)	(153)	(646)
At March 31, 2025	**374**	**6,004**	**582**	**6,960**
Accumulated depreciation				
At April 01, 2023	**18**	**364**	**47**	**429**
Amortisation for the year	38	358	68	464
Disposals/transfer	-	(174)	(5)	(179)
At March 31, 2024	**56**	**548**	**110**	**714**
Amortisation for the year	7	278	310	595
Disposals/transfer	-	(321)	(70)	(391)
At March 31, 2025	**63**	**505**	**350**	**918**
Net carrying amount				
At March 31, 2024	318	5,151	276	5,745
At March 31, 2025	**311**	**5,499**	**232**	**6,042**

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5. Non-current investments

	March 31, 2025	March 31, 2024
I. Quoted equity instruments at fair value through other comprehensive income		
Vaccinex Inc., USA - 1,425 (March 31, 2024 - 1,425) Common Stock, par value USD 0.0001 each	-	1
Equillium Inc., USA - 2,316,134 (March 31, 2024 - 2,316,134) Common Stock, par value USD 0.001 each	88	417
Bicara Therapeutics Inc. : 5,523,897 (March 31, 2024 - 5,523,897) equity shares of USD 0.0001 each [refer note 44]	6,149	5,877
Total quoted investments in equity instruments	**6,237**	**6,295**
II. Unquoted instruments at fair value through other comprehensive income		
Immuneel Therapeutics Private Limited - 2,020 (March 31, 2024: 2,020) equity shares of Rs 10 each [refer note (i) below]	247	229
HR Kaveri Private Limited - 4,922,663 (March 31, 2024: 4,922,663) Equity shares of Rs. 10 each	49	49
Total unquoted investments in equity instruments	**296**	**278**
III. Unquoted equity instruments at fair value through profit or loss		
In others:		
Energon KN Wind Power Private Limited - 41,708 (March 31, 2024 - 41,708) equity shares of Rs 10 each	1	1
Less: Provision for decline, other than temporary, in the value of non-current investments	(1)	(1)
Four Ef Renewables Private Limited - 287,474 (March 31, 2024 - 287,474) equity share of Rs. 100 each	29	29
O2 Renewable Energy II Private Limited - 858,000 (March 31, 2024: 858,000) equity shares of Rs 10 each	9	9
Hinduja Renewables Two Private Limited - 5,916,166 equity shares (March 31, 2024 - 5,916,166) equity share of Rs. 10 each	59	59
Ampyr Renewable Energy Resources Private Limited - 4,365,687 (31 March 2024: 4,365,687) equity shares of Rs. 10 each	43	43
Indian Foundation for Quality Management - 7,500,000 (March 31, 2024: Nil) Equity shares of Rs. 10 each	75	-
Less: diminution in the value of investments	(75)	-
Total unquoted investments in equity instruments	**140**	**140**
IV. Unquoted shares/ instruments at fair value through profit or loss		
In others:		
Energon KN Wind Power Private Limited - 15,888 (March 31, 2024 - 15,888) compulsorily convertible preference shares, par value Rs 100 each	1	1
Less: Provision for decline, other than temporary, in the value of non-current investments	(1)	(1)
O2 Renewable Energy II Private Limited - 20,020 (March 31, 2024: 20,020) 0.01% compulsory convertible debentures of Rs. 1,000 each [refer note (iii) below]	20	20
Four Ef Renewables Private Limited - 574,947 (March 31, 2024 - 574,947) 0.001% compulsorily convertible preference shares of Rs. 100 each [refer note (ii) below]	57	57
	77	**77**
Ampyr Renewable Energy Resources Private Limited - 8,731,375 (31 March 2024: 8,731,375) compulsory convertible preference shares of Rs. 10 each [refer note(iv) below]	87	87
Less: diminution in the value of investments	(40)	(40)
Total unquoted investments in shares/ instruments	**124**	**124**
V. Investments in Certificates of deposits carried at amortized cost		
Others:		
Inter corporate deposits with financial institutions *	-	4
Total unquoted investments in deposits	**-**	**4**
Total non-current investments	**6,797**	**6,841**
Aggregate value of quoted investments	6,237	418
Aggregate value of unquoted investments	602	6,465
Aggregate amount of impairment in value of investments	42	42

(i) During the year ended March 31, 2021, Syngene invested Rs. 100 in Immuneel Therapeutics Private Limited. During the year ended March 31, 2022, additional funding from external investors were received resulting in a dilution of Syngene's equity interest. The gain on fair valuation from Rs. 100 to Rs. 214 is recognised in Other comprehensive income. During the year ended 31 March 2023 and March 31, 2024, Syngene based on a fair valuation recorded a fair value increase in its investment carrying value by Rs. 109 and a fair value decrease of Rs. 94 respectively. Further, during the year ended March 31, 2025, Syngene recorded a fair value increase of Rs. 18.

(ii) Terms of conversion: 1 compulsory convertible preference share of face value Rs. 100/- each will convert to 1 equity share of face value Rs. 100/- at end of the tenure of 20 years from allotment.

(iii) Terms of conversion: 1 compulsory convertible debentures of face value Rs. 1000/- each will convert to 1 equity share of face value Rs. 100/- at end of the tenure of 20 years from allotment.

(iv) Terms of conversion: 1 compulsory convertible preference share of face value Rs. 10/- each will convert to 1 equity share of face value Rs. 10/- at end of the tenure of 20 years from allotment.

(v) The company designated these investments as equity instruments at FVOCI because these investments that the company intends to hold for the long term for strategic purpose. No strategic investments were disposed of during the year ended March 31, 2025 and there were no transfers of any cumulative gains or loss within equity relating to these investments.

* Inter corporate deposits with financial institutions yield fixed interest rate.

The Group's exposure to credit and currency risks, and loss allowances are disclosed in note 36.

6. Other financial assets

	March 31, 2025	March 31, 2024
(i) Non-current		
Deposits	655	699
Contingent consideration receivable [refer note 36(D)]	-	750
Bank deposits with maturity of more than 12 months	18	2
Other receivables	10	15
	683	**1,466**
(ii) Current		
Inter corporate deposits with financial institutions *	3,595	5,380
Other receivables (considered good - unsecured)	964	389
	4,559	**5,769**

* Inter corporate deposits with financial institutions yield fixed interest rate.
The Group's exposure of credit and currency risks, and loss allowances are disclosed in note 36.

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7. Deferred tax balances

	March 31, 2025	March 31, 2024
Deferred tax assets (net)	2,577	3,173
Deferred tax liabilities (net)	(3,577)	(3,915)
Total	(1,000)	(742)
Deferred tax liabilities		
Property, plant and equipment and intangible assets	3,485	3,742
Intangible assets	3,941	2,852
Goodwill	4,715	894
Derivative instruments	278	507
Deferred consideration	-	215
Others	(387)	-
Gross deferred tax liabilities	12,032	8,210
Deferred tax assets		
Provision for employee benefits	957	607
Allowance for doubtful debts	56	26
Other deductible expenses	175	78
MAT credit entitlement	2,975	3,419
Deferred revenue	88	80
Carry-forward losses	6,082	2,405
Others	699	853
Gross deferred tax assets	11,032	7,468
Deferred tax liabilities (net) [refer note 38 (d)]	(1,000)	(742)

8. Other assets

(Unsecured considered good, unless otherwise stated)		
(a) Non-current		
Capital advances	1,937	2,304
Duty drawback receivable	128	90
Balances with statutory / government authorities	2,410	1,793
Prepayments	282	93
	4,757	4,280
(b) Current		
Balances with statutory / government authorities	3,805	4,516
Advance to suppliers	1,770	1,064
Prepayments	1,899	1,571
	7,474	7,151

9. Inventories

	March 31, 2025	March 31, 2024
Raw materials, including goods-in-bond *	9,679	8,366
Packing materials	4,299	2,798
Traded goods	8,949	15,895
Finished goods	9,152	8,234
Work-in-progress	17,232	14,146
	49,311	49,439

* Inventories includes goods in-transit Rs. 1,575 (March 31, 2024 - Rs 4,236)
For details of security on certain inventories [refer note 19]

The Group 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 Group'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, BBL and its subsidiaries 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. 650 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 consolidated 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 gain of Rs. 753 (March 31, 2024: expense of Rs. 565). These were recognised as an income/expense during the year 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 consolidated statement of profit or loss.

10. Current investments

	March 31, 2025	March 31, 2024
Quoted - Investments at fair value through profit or loss:		
(a) Investment in mutual funds	4,458	3,047
(b) Investment in Invivyd Inc (formerly, 'Adagio Therapeutics Inc') - 294,000 (March 31, 2024 - 294,000) Common Stock, par value USD 0.0001 each	15	109
Total current investments	4,473	3,156
Aggregate market/ fair value of quoted investments	4,473	3,156
Aggregate value of unquoted investments	-	-

The Group's exposure to credit and currency risks, and loss allowances are disclosed in note 36.

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11. Trade receivables

	March 31, 2025	March 31, 2024
(a) Trade Receivables considered good - Unsecured [refer note (a) below]	54,879	62,306
(b) Trade Receivables - credit impaired	627	646
	55,506	62,952
Allowance for expected credit loss	(627)	(646)
Net trade receivables	**54,879**	**62,306**

The Group's exposure to credit and currency risks, and loss allowances are disclosed in note 36.

a) During the current year, the Group has availed invoice purchase facility from the banks which met the derecognition criteria since the Group had transferred substantially all the risks and rewards of ownership over such receivables as the factoring arrangement represents a true sale and is without recourse to the Group. Accordingly, as at March 31, 2025, Rs. 7,074 has been derecognized from trade receivables.

Trade receivables ageing schedule:	Outstanding for following periods from due date of payment							
	Unbilled	Not overdue	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	1,568	49,665	14,670	3,132	1,307	29	-	70,371
Undisputed trade receivables - credit impaired	-	-	114	83	130	251	49	627
At March 31, 2025	**1,568**	**49,665**	**14,784**	**3,215**	**1,437**	**280**	**49**	**70,998**
Less: Provision for chargebacks / discounts / rebates / incentives settled through issuance of credit note								(15,492)
Less: Allowance for expected credit loss								(627)
								54,879
Undisputed trade receivables - considered good	961	41,804	32,520	8,121	437	2	-	83,845
Undisputed trade receivables - credit impaired	-	133	77	25	360	7	44	646
At March 31, 2024	**961**	**41,937**	**32,596**	**8,146**	**797**	**9**	**44**	**84,491**
Less: Provision for chargebacks / discounts / rebates / incentives settled through issuance of credit note								(21,539)
Less: Allowance for expected credit loss								(646)
								62,306

12. Cash and bank balances

	March 31, 2025	March 31, 2024
Cash and cash equivalents		
Balances with banks:		
On current accounts	19,488	11,636
On unpaid dividend account	4	2
Deposits with banks with original maturity of less than 3 months	12,779	698
Total cash and cash equivalents	**32,271**	**12,336**
Bank balances other than cash and cash equivalents		
Deposits with banks with original maturity of more than 3 months but less than 12 months	8,907	10,248
Margin money deposit [Refer note (a) below]	24	3
Total other bank balances	**8,931**	**10,251**
Total cash and bank balances	**41,202**	**22,587**

(a) Margin money deposits with carrying amount of Rs 24 (March 31, 2024 - Rs 3) are subject to first charge against bank guarantees obtained.

(b) The Group has cash in hand which are not disclosed above since amounts are rounded off to Rupees million.

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	March 31, 2025	March 31, 2024
13(a). Equity share capital		
Authorised		
1,250,000,000 (March 31, 2024 - 1,250,000,000) equity shares of Rs 5 each (March 31, 2024 - Rs 5 each)	6,250	6,250
Issued, subscribed and fully paid-up		
1,200,600,000 (March 31, 2024 - 1,200,600,000) equity shares of Rs 5 each (March 31, 2024 - Rs 5 each)	6,003	6,003

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

Equity shares	March 31, 2025		March 31, 2024	
	No. of shares	Rs Million	No. of shares	Rs Million
At the beginning of the year	1,20,06,00,000	6,003	1,20,06,00,000	6,003
Issue of shares	-	-	-	-
Outstanding at the end of the year	**1,20,06,00,000**	**6,003**	**1,20,06,00,000**	**6,003**

(ii) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs 5 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

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

	March 31, 2025		March 31, 2024	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs 5 each fully paid				
Kiran Mazumdar-Shaw	48,45,81,970	40.36%	48,45,81,970	40.36%
Glentec International Limited	23,72,11,164	19.76%	23,72,11,164	19.76%

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

(iv) Shares reserved for issue under options

For details of shares reserved for issue under the share based payment plan of the Company, [refer note 30].

(v) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date:

Particulars	Year ended March 31				
	2025	2024	2023	2022	2021
Equity shares of Rs 5 each	-	-	-	-	-

(vi) Details of shares held by promoters

March 31, 2025

Name of the promoter	No. of equity shares	% of Total Shares	% change during the year
Kiran Mazumdar Shaw	48,45,81,970	40.36%	-
Ravi Mazumdar	53,01,321	0.44%	-
Dev Mazumdar	9,29,721	0.08%	-
Glentec International Limited	23,72,11,164	19.76%	-
Total	**72,80,24,176**	**60.64%**	**0.00%**

March 31, 2024

Name of the promoter	No. of equity shares	% of Total Shares	% change during the year
Kiran Mazumdar Shaw	48,45,81,970	40.36%	0.70%
J M M Shaw	-	0.00%	-0.70%
Ravi Mazumdar	53,01,321	0.44%	-
Dev Mazumdar	9,29,721	0.08%	-
Glentec International Limited	23,72,11,164	19.76%	-
Total	**72,80,24,176**	**60.64%**	**0.00%**

13(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.

General reserve

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

Retained earnings

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the standalone financial statements of the Company and also considering the requirements of the Act. Thus the amounts reported are not distributable in entirety.

SEZ re-investment reserve

The SEZ re-investment reserve has been created out of profit of eligible SEZ units in terms of the provisions of section 10AA(1)(ii) of the Income-tax Act, 1961. The reserve has been utilised for acquiring new plant and machinery for the purpose of its business in terms of section 10AA(2) of the Income-tax Act, 1961.

Share based payment reserve

The Group has established various equity settled share-based payment plans for certain categories of employees of the Group. Also refer note 30 for further details on these plans.

Treasury shares

Own equity instruments that are reacquired (treasury shares) by the ESOP trusts of the Group are recognised at cost and disclosed as deducted from equity.

Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's reporting currency (i.e. Indian Rupees) are accumulated in the foreign currency translation reserve. This also includes effective portion of Group's net investment in foreign operations.

Other items of other comprehensive income

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

Debenture redemption reserve

The Group had issued Redeemable Non-Convertible Debentures ("NCD") and Redeemable Optionally Convertible Debentures ("OCD") in prior years. As per the provisions of the Companies Act, 2013, debenture redemption reserve is created out of profits available for payment of dividend.

Capital redemption reserve

The Group had redeemed intercompany 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 is transferred to the capital redemption reserve.

Cash flow hedging reserves

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

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14. Non-current borrowings

	March 31, 2025	March 31, 2024
Loans from banks (secured)		
Term loan [refer note (a), (b), (c), (d), (e), (f), (h), (m) and (n) below]	36,112	100,833
Redeemable Non-Convertible Debentures ("NCD") [refer note (k) and (l) below]	20,913	18,324
Loans from banks (unsecured)		
Term loan [refer note (g) and (o) below]	2,950	1,708
Other loans (secured)		
Senior Secured Notes 2029 ("Notes") [refer note (i) below]	66,954	-
Other loans and advances (unsecured)		
Redeemable Optionally Convertible Debentures ("OCD") [refer note (j) below]	16,079	14,939
	143,008	135,804
Less: Current maturities disclosed in "Current borrowings" [refer note 19]	(18,954)	(6,480)
	124,054	129,324
The above amount includes		
Secured borrowings	123,979	119,157
Unsecured borrowings	19,029	16,647
Current maturities disclosed in "Current borrowings" [refer note 19]	(18,954)	(6,480)
Net amount	124,054	129,324

(a) The Company has external commercial borrowing (ECB) from Bank repayable in 3 yearly instalments commencing from June 2025 and carry interest @ SOFR + 1.75% per annum. The loan is secured by exclusive charge on the property, plant and equipment created out of the term loan facility. The Company has entered into interest rate swap converting the floating rate to fixed rate of interest. Carrying value of the loan as at March 31, 2025 amounts to Rs 2,136 (March 31, 2024: 2,084).

(b) Biocon Biosphere Limited ("BBSL") has external commercial borrowing (ECB) from Bank repayable in 3 yearly instalments commencing from June 2025 and carry interest @ SOFR + 1.75% per annum. The loan is secured by first priority pari passu charge on the plant and machinery of the facility for the manufacture of pharmaceuticals. BBSL has entered into interest rate swap to convert floating rate to fixed rate. Carrying value of the loan as at March 31, 2025 amounts to Rs 4,271 (March 31, 2024: 4,167).

(c) During the year ended March 31, 2019, Biocon Biologics Limited ("BBL") had obtained an external commercial borrowing facility of USD 75 million from MUFG Bank Limited. This loan is repayable in 3 annual instalments commencing from April 2024 and carries an interest rate of SOFR + 1.26% p.a. The term loan facility is secured by first priority pari-passu charge on the plant and machinery of the proposed facility for the manufacturing of pharmaceuticals. Carrying value of the loan as at March 31, 2025 amounts to Nil (March 31, 2024: Rs. 6,251). During the year ended March 31, 2025, BBL has pre-closed the entire amount outstanding.

(d) During the year ended March 31, 2021, BBL had obtained a Term loan facility from The Hongkong and Shanghai Banking Corporation Limited amounting to Rs 3,500 repayable in 2 equal annual instalments commencing from April 2024. Term loan carries an interest rate of 3 Months T Bill + 2.3% p.a. and are secured by first pari-passu charge on the present and future of movable property, plant and equipment of the BBL. Carrying value of the loan as at March 31, 2025 amounts to Nil (March 31, 2024: Rs. 3,500). During the year ended March 31, 2025, BBL has pre-closed the entire amount outstanding.

(e) During the year ended March 31, 2023, the Biosimilars Newco Limited ('BNCL', subsidiary of BBL) has entered into a USD 1.2 Billion long-term syndicated loan facility agreement with consortium of lenders for a tenure of 5 years. The term loan is repayable in quarterly instalments starting after 30 months of the execution of the agreement and carries an interest rate of SOFR + margin of 1.95% p.a to 1.35% p.a. The loan is secured by first pari passu charge movable property, plant and equipment of BBL, Biocon Sdn. Bhd., Malaysia. ("Biocon Malaysia"), Biocon Biologics UK Ltd ("Biocon UK"), Biosimilars Newco Limited and Biosimilars collaboration Ireland Limited. Further the loan is also secured by corporate guarantee by BBL, Biocon Malaysia, Biocon UK and Biosimilars Collaboration Ireland Limited. BNCL has pre-paid USD 950 million (March 31, 2024: USD 250 million) during the year. The carrying value of the loan as at March 31, 2025 amounts to Nil (March 31, 2024: 77,699), net-off unamortised debt issuance cost of Nil (March 31, 2024: 1,474). During the year ended March 31, 2025, BNCL has pre closed the entire amount outstanding.

(f) During the year ended March 31, 2022, Biocon UK had obtained a term loan facility of USD 75 million from The Hongkong and Shanghai Banking Corporation Limited for a tenure of 5 years. The term loan is repayable over the period of 4 years and carries an interest rate of 1 month SOFR + 1.11% p.a. and are secured by first pari-passu charge on the present and future Plant and Machinery of Biocon Malaysia. Carrying value of the term loan as at March 31, 2025 is Nil (March 31, 2024: 5,428). During the year ended March 31, 2025, Biocon UK has pre-closed the entire amount outstanding.

(g) During the year ended March 31, 2022, Biocon Biologics UK Limited ("Biocon UK") (formerly "Biocon Biologics Limited") had obtained a term loan facility of USD 25 million from The HDFC Bank Limited for a tenure of 5 years. The term loan is repayable in 5 annual installments starting from the end of year 1 and carries an interest rate of 3 months SOFR + 1.26% p.a. Carrying value of the term loan as at March 31, 2025 is Nil (March 31, 2024: 1,708). During the year ended March 31, 2025, Biocon UK has pre-closed the entire amount outstanding.

(h) Syngene has entered into foreign currency term loan agreement dated March 30, 2021 to borrow USD 20 million (Rs. 1,644) term loan facility. The facility is borrowed to incur capital expenditure at Bengaluru, Hyderabad and Mangaluru premises of Syngene and was used for this specific purpose. The facility carries an interest rate of 6M SOFR + 1.17% and are to be paid in three instalments of 15%, 25% and 60% from end of 3 years, 4 years and 5 years respectively from the date of origination. The facility is secured by first priority pari passu charge on property, plant and equipment (movable plant and machinery) and second charge on current assets of Syngene.

(i) During the year ended March 31, 2025, BBL through its wholly owned step-down subsidiary, Biocon Biologics Global PLC, has raised Rs. 66,763 (USD 800 million) by allotment of US dollar denominated senior secured notes (the "Notes") at issue price of 99.041%. The Notes bear interest at a rate of 6.67% per annum and will mature in October 2029. Interest on the Notes is payable semi-annually in April and October of each year. The Notes are listed on Singapore Exchange Securities Trading Limited (SGX-ST). The Notes are secured by first priority lien over all of the (i) capital stock of the Biocon Biologics Global PLC held by Biocon Biologics UK Limited (ii) capital stock of Biosimilars Collaboration Ireland Limited held by Biocon Biologics UK Limited and (iii) capital stock of the Biosimilars Newco Limited held by Biocon Biologics Limited and Biocon Biologics UK Limited and also secured by corporate guarantee by Biocon Biologics Limited, Biocon Biologics UK Limited, Biosimilars Newco Limited, Biosimilars Collaboration Ireland Limited and Biocon Sdn Bhd. Funds raised through the Notes is utillsed to refinance the existing term loans. Carrying value of the Notes as at March 31, 2025 amounts to Rs. 66,954 (March 31, 2024: Nil)

(j) BBL had entered into an agreement with Goldman Sachs India AIF Scheme-1('Investor') whereby the Investor has infused Rs.11,250 against issuance of Optionally Convertible Debentures. The debentures are issued for a tenor of 61 months, maturing on January 2026, are unsecured, redeemable at par and carry a conversion option at any time during the tenor at the option of the investor. It also bears a coupon rate of 5% per annum payable on compounded and cumulative basis only on redemption. During the year ended March 31, 2022, BBL had entered into amendment to the terms of OCD agreement which provides for redemption amount INR equivalent of USD 153.23 million with reference to rate published by RBI for conversion of USD to INR one day prior to redemption. This resulted in the modification of the compound financial instrument and OCD is classified as financial liability from the modification date.

(k) During the year ended March 31, 2023, the Company had issued 107,000 redeemable Non-Convertible Debentures (NCD) in 3 series each having a face value of Rs 1,00,000 with a minimum return of 12% per annum plus agreed variable coupon payable upon redemption. The variable coupon is linked to the equity share price of a subsidiary. Tenure of the NCD is 5 years from the date of allotment or earlier based on put option terms requiring the company to provide exit to the lender if exit terms do not occur by the specified date in the agreement. The agreement has drag along rights allowing the lender to seek redemption of NCDs if the put option as described in note 16 is exercised. The NCD are secured by way of pledge over 38,113,557 equity shares of a subsidiary held by the Company. The NCD proceeds were utilised for repayment of mezzanine borrowing which was raised for investing in the subsidiary.

(l) During the year ended March 31 2024, the Company has issued 50,000 redeemable Non-Convertible Debentures (NCD) having a face value of Rs 1,00,000 with a minimum return of 12% per annum plus agreed variable coupon payable upon redemption. The variable coupon is linked to the equity share price of a subsidiary. Tenure of the NCD is 4 years from the date of allotment or earlier based on put option terms requiring the company to provide exit to the lender if exit terms do not occur by the specified date in the agreement. The agreement has drag along rights allowing the lender to seek redemption of NCDs if the put option as described in note 16 is exercised. . The NCD are secured by way of pledge over 17,810,073 equity shares of a subsidiary held by the Company. The NCD proceeds were utilised for repayment of mezzanine borrowing which was raised for investing in the subsidiary.

(m) During the year ended March 31, 2025, one of the subsidiaries of BBL has raised funds through new syndicate facility amounting to Rs. 26,705 (USD 320 million). This facility is for a tenure of 5 years with repayment beginning after 24 months and carries interest rate of SOFR+1.75% margin per annum payable on quarterly basis. The new syndicate facility is secured by hypothecation over tangible moveable fixed assets of Biocon Biologics Limited and is also secured by corporate guarantee by Biocon Biologics Limited, Biocon Biologics UK Limited, Biosimilars Newco Limited, Biosimilars Collaboration Ireland Limited and Biocon Biologics Global PLC. Funds raised through the new syndicate facility is utilised to refinance the existing term loans. Carrying value of the loan as at March 31, 2025 amounts to Rs. 26,972 (March 31, 2024: Nil)

(n) During the year ended March 31, 2024, Biocon Generics Inc. ('BGI') had entered into a term loan facility of USD 20 million from Mizuho bank. This loan is repayable in 3 annual instalments commencing from February 2027 and carries an interest rate of SOFR + 1.80% p.a. The term loan facility is secured by first priority pari-passu charge on the plant and machinery of the proposed facility for the manufacturing of pharmaceuticals. Carrying value of the loan as at March 31, 2025 amounts to Rs 1,709 (March 31, 2024: 662).

(o) During the year ended March 31, 2025, BBL has obtained a term loan facility from The Federal Bank repayable in six quarterly instalments commencing from December 2025. The loan carries an interest rate of 8.50% p.a. The outstanding value of loan as on March 31, 2025 is Rs. 2,950 (March 31, 2024: Nil)

(p) The Group has met all the covenants under these arrangements as at March 31, 2025 and March 31, 2024.

(q) The Group's exposure to liquidity, interest rate and currency risks are disclosed in note 36.

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15. Leases

The Group has entered into lease agreements for use of land, buildings and vehicles which expires over a period ranging upto the year of 2117. Gross payments for the year aggregate to Rs. 697 (March 31, 2024: Rs. 562).

The following is the movement in lease liabilities:

Particulars	Land	Buildings	Vehicles	Total
Balance at April 01, 2023	-	2,400	81	2,481
Additions during the year	-	3,252	40	3,292
Finance cost accrued during the year	-	260	9	269
Deletions	-	-	(9)	(9)
Payment of lease liabilities	-	(514)	(48)	(562)
Balance at March 31, 2024	-	5,398	73	5,471
Additions during the year	-	1,238	33	1,271
Finance cost accrued during the year	-	411	11	422
Deletions	-	(407)	-	(407)
Payment of lease liabilities	-	(643)	(49)	(692)
Balance at March 31, 2025	-	5,997	68	6,065

The following is the break-up of current and non-current lease liabilities:	March 31, 2025	March 31, 2024
Non current lease liabilities	5,391	4,924
Current lease liabilities	674	547
	6,065	5,471

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

Less than one year	797	868
One to five years	3,197	2,366
More than five years	5,340	2,797
Total	9,334	6,031

The following are the amounts recognised in Profit or loss:		
Amortisation of right to use assets	595	464
Interest expenses on lease liabilities	422	269
Short-term lease payment [refer note (i) below]	195	3
Total	1,212	736

(i) The Group 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).

16. Other financial liabilities

	March 31, 2025	March 31, 2024
(a) Non-current		
Gross liability on written put options [refer note (i) and (ii) below]	14,186	3,299
Contingent consideration payable [refer note 36(D) and note (iv) below]	8,970	7,426
Other payable (refer note (iii) below]	5,126	-
	28,282	10,725

(i) During the year ended March 31, 2020, the Group had entered into an agreement with Activ Pine LLP ('Investor') whereby the Investor has infused Rs. 5,363 against issuance of equity shares of a subsidiary company, Biocon Biologics Limited ('BBL'), which represents 2.44 % shareholding of BBL. The consideration was received and equity shares were allotted on January 21, 2020.

During the year ended March 31, 2021, the Group had entered into an agreement with Tata Capital Growth Fund II ('Investor') whereby the Investor has infused Rs 2,250 against issuance of equity shares of a subsidiary company, BBL, which represents 0 85% shareholding of BBL. The consideration was received and equity shares were allotted on September 03, 2020.

During the year ended March 31, 2021, the Group had entered into an agreement with Beta Oryx Limited ('Investor') whereby the Investor has infused Rs 5,550 against issuance of equity shares of a subsidiary company, BBL, which represents 1.87% shareholding of BBL. The consideration was received and equity shares were allotted on March 09, 2021.

As per the above agreements , the Group will be required to provide various options to enable the Investor to exit over a period of time. In the event, such exit events do not occur, the Investor may require the parent company (Biocon Limited), to buy them out at certain prices agreed under the arrangement. Such an obligation to provide exit to the Investors required the Group to record a financial liability towards gross obligation amounting to Rs. 10,493 (March 31, 2024: Rs. 14,719) in the consolidated financial statements as at March 31, 2025, in accordance with the Indian Accounting Standards (Ind AS).

During the year ended March 31, 2025, the Company purchased equity shares in its subsidiary, BBL, from one of the above investors of the subsidiary pursuant to liquidity option exercised under the shareholder's agreement for Rs. 5,550. This has resulted in increase in Company's equity holding in the subsidiary effective from the date of purchase. Other investors have deferred their exit rights till March 31, 2026 and accordingly the Gross obligation has been disclosed as Non-current liability in the consolidated financial statements considering that these rights are exercisable post March 31, 2026.

The Group in accordance with Ind AS has elected an accounting policy choice to follow an anticipated acquisition method on initial recognition which requires recognition of a gross obligation liability with a corresponding derecognition of non-controlling interest balance in its consolidated financial statements. Further, in accordance with the generally accepted accounting principles, the Group has made an accounting policy choice to present any subsequent change in the fair value of gross obligation liability in other equity. The fair value of the gross obligation is computed using the underlying share price of the unlisted subsidiary which is determined based on discounted cash flow approach and other factors.

(ii) During the previous year, BBL 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 280.74 amounts to Rs. 3,000.The CCD's are issued for a tenor of 36 months, are unsecured, redeemable at par and carry a conversion option at any time during the tenor at the option of the investor. CCD 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 BBL. The CCD's are convertible upon occurrence of conversion event at 1:1 ratio.

Under the above arrangement , the Group will be required to provide various options to enable the Investor to exit over a period of time. In the event, such exit events do not occur, the Investor may require the parent company (Biocon Limited), to buy them out at certain prices agreed under the arrangement. Such an obligation to provide exit to the Investors required the Group to record a financial liability towards gross obligation amounting to Rs. 3,693 in the consolidated financial statements in accordance with the Indian Accounting Standards (Ind AS).

(iii) The Group had acquired the biosimilar business from Viatris in November 2022 and under the definitive agreement, the Group had an obligation to pay a deferred consideration of Rs. 28,619 (USD 335 million) to Viatris. The Group settled Rs. 20,930 (USD 245 million) in cash and the parties also agreed to offset the closing working capital target of Rs. 2,563 (USD 30 million), against the deferred cash consideration. The Group entered into a full and final settlement agreement with Viatris, under which, Viatris has agreed to waive-off the remaining deferred consideration of Rs. 5,126 (USD 60 million) subject to certain conditions relating to royalty, profit shares, milestone payments in respect of a molecule, to be paid by the Group to one of its collaboration partner as and when the product is commercialized and hence such amount has been disclosed under Other financial liabilities.

(iv) CCPS were fair valued using Binomial Option Pricing Model at Rs. 82,181. Each CCPS shall be convertible into equity shares of BBL at any time at the option of the holder at a conversion rate of 1:1. BBL 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 in BBL post conversion is atleast USD 1,000 Mn. The issue of additional shares results in contingent consideration. The CCPS on initial recognition has been bifurcated into equity component of Rs. 74,815 (fixed to fixed conversion) and contingent consideration (derivative liability) of Rs. 7,366. At March 31, 2025, the fair value of contingent consideration is Rs. 8,970 (March 31, 2024: Rs. 7,426).

(b) Current	March 31, 2025	March 31, 2024
Deferred consideration payable [refer note (iii) above]	-	27,423
Payable towards purchase consideration	57	-
Unpaid dividends	5	6
Gross liability on written put options [refer note (i) above]	-	14,719
Interest accrued but not due	2,486	176
Employee benefit payable	2,558	2,233
Payables for capital goods	4,220	5,448
	9,326	50,005

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17. Provisions

	March 31, 2025	March 31, 2024
(a) Non-current		
Provision for employee benefits		
Gratuity [refer note 35]	1,214	1,101
Provision for sales return	1,394	1,275
	2,608	2,376
(b) Current		
Provision for employee benefits		
Gratuity [refer note 35]	408	398
Compensated absences	1,372	1,261
Provision for sales return	136	136
	1,916	1,795

(i) Movement in provisions	For the year ended March 31, 2025		
	Gratuity	Compensated absences	Sales return
Opening balance	1,499	1,261	1,411
Provision recognised / (reversed) during the year	123	111	119
Closing balance	1,622	1,372	1,530

	For the year ended March 31, 2024		
	Gratuity	Compensated absences	Sales return
Opening balance	1,301	935	1,515
Provision recognised / (reversed) during the year	198	326	(104)
Closing balance	1,499	1,261	1,411

18. Other liabilities

	March 31, 2025	March 31, 2024
(a) Non-current		
Deferred revenues [refer note 21]	3,366	3,107
	3,366	3,107
(b) Current		
Deferred revenues [refer note 21]	1,452	1,176
Advances from customers [refer note 21]	6,119	5,165
Statutory taxes and dues payable	2,307	1,071
Other dues	370	356
	10,248	7,768

19. Current borrowings

	March 31, 2025	March 31, 2024
From banks/ financial institutions		
Packing credit foreign currency loan (unsecured) [refer note (i) below]	6,513	5,274
Packing credit rupee export loan (unsecured) [refer note (ii) below]	6,180	7,660
Commercial Paper [refer note (v) below]	5,661	-
Term loan (unsecured) [refer note (vi) below]	8,844	5,000
Cash credit [refer note (iii) below]	3,033	3,141
Working capital loan (secured) [refer note (iv), (viii) and (ix) below]	3,249	417
Current maturities of non-current borrowings [refer note 14]	18,954	6,480
Proceeds from Non-recourse factoring arrangement [refer note vii]	1,067	-
	53,501	27,972
The above amount includes		
Secured borrowings	3,033	3,141
Unsecured borrowings	15,942	18,351

(i) BBL has obtained foreign currency short term unsecured pre-shipment credit loans from various banks that carries fixed interest rate ranging from 5.06% p.a. to 5.66% p.a. (March 31, 2024: 5.75% p.a. to 6.45% p.a). Packing credit foreign currency loan tenure is upto 180 days from the date of draw down.

(ii) BBL has obtained rupee denominated short term unsecured pre-shipment credit loans from various banks that carries interest rate ranging from 6.9% p.a. to 7.9% p.a. (March 31, 2024: 7.24% p.a. to 8.20% p.a.). Packing credit rupee loan tenure is upto 180 days from the date of draw down.

(iii) Biocon SDN. BHD, Malaysia availed working capital facilities upto USD 10 million carrying an interest rate of Bank Lending Rate + 0.5% p.a. The loan is secured by corporate guarantee by BBL.

(iv) During the year ended March 31, 2025, Biocon Pharma Inc. (BPI) has availed working capital facilities for USD 36 million with MUFG carrying an interest rate of SOFR + 0.9%. Further, BPI had existing working capital facility upto USD 5 million from CITI bank till March 2024. This has been repaid in the current year. The working capital facilities are secured by a charge on inventories and accounts receivables of BPI.

(v) On January 29, 2025, the Company has issued 11,400 Commercial Paper (CP) securities having a face value of Rs. 5,00,000 on private placement basis in favour of Nippon India Mutual Funds at a discount rate of 8.75% per annum for a tenure of 90 days. CP is due for repayment on April 29, 2025.

(vi) BBL has obtained short term unsecured loan from various banks that carries interest rate ranging from 6.07% p.a. to 7.8% p.a. The tenure of the loan is 365 days from the date of draw down.

(vii) During the year ended March 31, 2025, the Company has received Rs. 1,067 towards discounting of its receivables on non-recourse basis, recorded under 'Current borrowings'.

(viii) Syngene availed pre-shipment export credit of Rs. 171 at SOFR+0.95% during the year ended March 31, 2025, for a tenor of 3 months.

20. Trade payables

	March 31, 2025	March 31, 2024
Trade and other payables		
- total outstanding dues of micro and small enterprises	1,315	958
- total outstanding dues of creditors other than micro and small enterprises*	64,172	61,762
	65,487	62,720

* includes Other payables comprising of allowances for Chargebacks / Discounts / Rebates / Incentives expected to be settled in cash

All trade payable are 'current'. The Group's exposure to currency and liquidity risks related to trade payables is disclosed in Note 36.

Trade payables aging schedule:

	Outstanding for following periods from due date of payment						
March 31, 2025	**Unbilled**	**Not Due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Outstanding dues of micro and small enterprises	-	767	540	5	2	1	1,315
Outstanding dues of creditors other than micro and small enterprises	46,584	10,083	6,233	542	705	25	64,172
	46,584	10,850	6,773	547	707	26	65,487

	Outstanding for following periods from due date of payment						
March 31, 2024	**Unbilled**	**Not Due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Outstanding dues of micro and small enterprises	-	789	160	4	3	2	958
Outstanding dues of creditors other than micro and small enterprises	43,921	7,089	3,735	6,989	27	1	61,762
	43,921	7,878	3,895	6,993	30	3	62,720

21. Revenue from contracts with customers

	Year ended March 31, 2025	Year ended March 31, 2024
Sale of products*	1,15,378	1,05,880
Sale of services		
Contract research and manufacturing services income	34,802	34,150
Licensing and development fees	342	1,928
Other operating revenue		
Sale of process waste	439	448
Incentives from government	507	525
Sale of brands#	-	3,500
Others [refer note a below]	1,149	1,126
Revenue from operations	**1,52,617**	**1,47,557**

During the year ended March 31, 2024, Biocon Biologics Limited ("BBL") has entered into a agreement with Eris Lifesciences for sale of its business of commercialization of (i) Branded generic immunotherapy and nephrology small molecules formulations being manufactured by third parties under manufacturing agreements and (ii) the in-licensed products in India for consideration of Rs. 3,660. The Group has recorded gain of Rs. 3,500 net of costs of the related underlying assets during the year ended March 31, 2024.

* includes profit share

a) Others include income from support services, rentals by the SEZ Developer and recognition of deferred revenue for assets funded by customers over the useful life.

21.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Year ended March 31, 2025			
	Generics	Biosimilars	Research	Total
Revenue from contracts with customers				
Sale of products	26,494	88,884	-	1,15,378
Sale of services	46	128	34,970	35,144
	26,540	**89,012**	**34,970**	**1,50,522**
Revenue from other sources				
Other operating revenue	928	280	887	2,095
	928	**280**	**887**	**2,095**
Total Revenue from operations	**27,468**	**89,292**	**35,857**	**1,52,617**

	Year ended March 31, 2024			
	Generics	Biosimilars	Research	Total
Revenue from contracts with customers				
Sale of products	23,912	81,968	-	1,05,880
Sale of services	116	2,290	33,672	36,078
	24,028	**84,258**	**33,672**	**1,41,958**
Revenue from other sources				
Other operating revenue	973	3,925	701	5,599
	973	**3,925**	**701**	**5,599**
Total Revenue from operations	**25,001**	**88,183**	**34,373**	**1,47,557**

21.2 Changes in contract liabilities - advances from customers and deferred revenues

	March 31, 2025	March 31, 2024
Balance at the beginning of the year	9,448	10,225
Add:- Increase due to invoicing during the year	7,377	6,139
Add:- foreign currency translation	141	129
Less:- Amounts recognised as revenue during the year	(6,029)	(7,045)
Balance at the end of the year	**10,937**	**9,448**
Expected revenue recognition from remaining performance obligations:		
- Within one year	7,571	6,341
- More than one year	3,366	3,107
	10,937	**9,448**

21.3 Contract balances

Trade receivables including unbilled revenue	54,879	62,306
Contract liabilities	10,937	9,448

Trade receivables are non-interest bearing. Refer note 11 and note 18. Contract liabilities include deferred revenue and advance from customers.

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21.4 Performance obligation:

In relation to information about Group's performance obligations in contracts with customers refer note 2(l). The Invoices are issued/generated according to contractual terms/ at the point in time and are usually payable within 30 to 120 days.

21.5 Reconciliation of revenue from contracts with customers

Revenue from contracts with customers as per contract price	**3,10,472**	**2,94,175**
Adjustments made to contract price on account of :-		
a) Chargebacks / Discounts / Rebates / Incentives	(1,59,179)	(1,50,484)
b) Sales returns/ reversals	(771)	(1,733)
Revenue from Contracts with customers as per consolidated statement of profit and loss*	**1,50,522**	**1,41,958**

* Includes revenue from sale of products and sale of services.

Revenues from operations		
Timing of recognition		
Revenue recognised at a point of time	1,15,817	1,09,828
Revenue recognised over a period of time	36,800	37,729
Total revenue from operations	**1,52,617**	**1,47,557**

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	Year ended March 31, 2025	Year ended March 31, 2024
22. Other income		
Interest income on:		
Deposits with banks and financial institutions	978	1,495
Others	109	118
Dividend income	28	-
Net gain on sale of current investments	383	686
Net gain on financial assets measured at fair value through profit or loss	-	1,015
Gain on dilution of interest in an associate [refer note 44]	-	1,053
Sale of business (net) [refer note 42C]	10,573	-
Gain on loss of significant influence [refer note 44]	-	4,254
Other non-operating income	11	34
	12,082	**8,655**
23. Cost of materials consumed		
Inventory at the beginning of the year	11,164	12,729
Add: Purchases	45,581	49,154
Less: Inventory at the end of the year	(13,978)	(11,164)
Cost of materials consumed	**42,767**	**50,719**
24. Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Inventory at the beginning of the year		
Stock-in-trade	15,895	11,983
Finished goods	8,234	4,013
Work-in-progress	14,146	13,712
	38,275	**29,708**
Inventory at the end of the year		
Stock-in-trade	8,949	15,895
Finished goods	9,152	8,234
Work-in-progress	17,232	14,146
	35,333	**38,275**
	2,942	**(8,567)**
25. Employee benefits expense		
Salaries, wages and bonus	27,074	23,206
Contribution to provident and other funds	1,217	1,046
Gratuity [refer note 35]	282	263
Share-based compensation expense [refer note 30]	1,370	1,006
Staff welfare expenses	1,501	1,120
	31,444	**26,641**
26. Finance costs		
Interest expense on financial liabilities measured at amortised cost	6,466	7492
Interest expense on financial liability measured at FVTPL	1,989	1,983
Other finance costs	97	-
Interest on lease liabilities [refer note 15]	422	269
	8,974	**9,744**

(a) Interest expense on financial liabilities is net of borrowing cost capitalisation amounting to Rs. 5,884 (March 31, 2024 - Rs. 4,722).

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	Year ended March 31, 2025	Year ended March 31, 2024
27. Depreciation and amortisation expense		
Depreciation of property, plant and equipment [refer note 3]	9,416	8,929
Amortisation of intangible assets [refer note 4 (a)]	6,859	6,295
Depreciation of right of use assets [refer note 4 (b)]	595	464
	16,870	**15,688**
28. Other expenses		
Royalty and technical fees	5	87
Rent	195	3
Communication expenses	185	147
Travelling and conveyance	1,613	1,466
Professional charges	5,233	5,045
Transition Support Agreement ('TSA') expense	536	8,804
Payment to auditors	68	81
Directors' fees including commission	225	203
Power and fuel	3,779	3,889
Insurance	735	621
Rates, taxes and fees	1,064	420
Lab consumables	1,854	1,890
Repairs and maintenance		
Plant and machinery	5,559	4,435
Buildings	554	485
Others	2,088	1,923
Selling expenses		
Freight outwards and clearing charges	2,926	887
Sales promotion expenses	3,309	1,870
Commission and brokerage (other than sole selling agents)	264	209
Bad debts written off	30	11
Provision/ (reversal) for doubtful debts, (net)	260	(182)
Net loss on financial assets/ liabilities measured at fair value through profit or loss	798	-
Printing and stationery	163	148
Loss on sale of assets, (net)	76	12
Foreign exchange loss, (net)	562	523
Research and development expenses	5,888	6,071
Clinical trial and development expenses	75	74
Corporate social responsibility expenditure	224	201
Miscellaneous expenses	743	539
	39,011	**39,862**
Less: Expenses capitalized to intangible assets	-	(74)
	39,011	**39,788**
29. Research and development expenses		
Research and development expenses	5,888	6,071
Lab consumables	1,854	1,890
Employee benefits expense	2,127	2,160
Other research and development expenses included in other heads	395	2,331
	10,264	**12,452**
Less: Recovery of product development costs from co-development partners (net)	(1,476)	(838)
Less: Expenses capitalized to intangible assets	-	(74)
	8,788	**11,540**

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30. Employee stock compensation

(a) Biocon ESOP Plan

On September 27, 2001, Biocon's Board of Directors approved the Biocon Employee Stock Option Plan ('ESOP Plan 2000') for the grant of stock options to the employees of the Company and its subsidiaries / joint venture company. The Nomination and Remuneration Committee ('Remuneration Committee') administers the plan through a trust established specifically for this purpose, called the Biocon India Limited Employee Welfare Trust (ESOP Trust).

The ESOP Trust shall make additional purchase of equity shares of the Company using the proceeds from the loan obtained from the Company, other cash inflows from allotment of shares to employees under the ESOP Plan and shall subscribe, when allotted to such number of shares as is necessary for transferring to the employees. The ESOP Trust may also receive shares from the promoters for the purpose of issuance to the employees under the ESOP Plan. The Remuneration Committee shall determine the exercise price which will not be less than the face value of the shares.

Grant VII

In July 2014, the Company approved the grant to its employees under the existing ESOP Plan 2000. The options under this grant would vest to the employees as 10%, 20%, 30% and 40% of the total grant at the end of first, second, third and fourth year from the date of grant, respectively, with an exercise period ending one year from the end of last vesting. The vesting conditions include service terms and performance grade of the employees. These options are exercisable at the closing market price of Company's shares existing on the date preceding to the date of grant.

Particulars	March 31, 2025		March 31, 2024	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	-	-	25,750	79
Granted during the year	-	-	-	-
Lapses/forfeited during the year	-	-	-	-
Exercised during the year	-	-	(25,750)	79
Expired during the year	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	-
Weighted average fair value of options granted (Rs)	-	-	-	-
Range of exercise prices for outstanding options at the end of the year	-	-	-	-

Grant IX

In June 2016, the Company approved the grant to its employees under the existing ESOP Plan 2000. The options under this grant would vest to the employees as 10%, 20%, 30% and 40% of the total grant at the end of first, second, third and fourth year from the date of grant, respectively, with an exercise period ending one year from the end of last vesting. The vesting conditions include service terms and performance grade of the employees. These options are exercisable at 50% of the closing price as per National Stock Exchange as on the preceding day to the date of grant.

Particulars	March 31, 2025		March 31, 2024	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	13,94,455	140	22,96,917	131
Granted during the year	-	-	-	-
Lapses/forfeited during the year	(91,875)	143	(1,50,100)	135
Exercised during the year	(7,27,960)	136	(7,52,362)	115
Expired during the year	-	-	-	-
Outstanding at the end of the year	5,74,620	141	13,94,455	140
Exercisable at the end of the year	2,72,370	-	5,31,055	118
Weighted average remaining contractual life (in years)	0.8	-	1.5	-
Weighted average fair value of options granted (Rs)	-	-	-	-
Range of exercise prices for outstanding options at the end of the year	78-173	-	77-173	-

Grant X

In June 2016, the Company approved the grant to its employees under the existing ESOP Plan 2000. The options under this grant would vest to the employees as 10%, 20%, 30% and 40% of the total grant at the end of first, second, third and fourth year from the date of grant, respectively, with an exercise period ending one year from the end of last vesting. The vesting conditions include service terms and performance grade of the employees. These options are exercisable at 50% of the closing price as per National Stock Exchange as on the preceding day to the date of grant.

Particulars	March 31, 2025		March 31, 2024	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	-	-	13,46,649	154
Granted during the year	-	-	-	-
Lapses/forfeited during the year	-	-	(55,500)	116
Exercised during the year	-	-	(12,91,149)	156
Expired during the year	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	-
Weighted average fair value of options granted (Rs)	-	-	-	-
Range of exercise prices for outstanding options at the end of the year	-	-	-	-

The average market price of the Company's share during the year ended March 31, 2025 is Rs 279 (March 31, 2024 - Rs 248) per share.

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30. Employee stock compensation (continued)

(b) RSU Plan 2015

On March 11, 2015, Biocon's Remuneration Committee approved the Biocon - Restricted Stock Units (RSUs) of Syngene ('RSU Plan 2015') for the grant of RSUs to the employees of the Company and its subsidiaries other than Syngene. The Remuneration Committee administers the plan through a trust, called the Biocon Limited Employee Welfare Trust. For this purpose, on March 31, 2015, the Company transferred 2,000,000 equity shares of Syngene to Biocon Limited Employees Welfare Trust.

In April 2015, the Company approved the grant to its employees under the RSU Plan 2015. The RSUs under this grant would vest to the employees as 10%, 20%, 30% and 40% of the total grant at the end of first, second, third and fourth year from the date of grant, respectively, with an exercise period ending one year from the end of last vesting. The vesting conditions include service terms and performance grade of the employees. Exercise price of RSUs will be Nil.

Particulars	March 31, 2025		March 31, 2024	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	-	-	11,504	-
Granted during the year	-	-	-	-
Lapses/forfeited during the year	-	-	(11,504)	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	-
Weighted average fair value of options granted (Rs)	-	-	-	-

(c) RSU Plan 2019

On January 7, 2019, Biocon's Nomination and Remuneration Committee ('NRC') and the Board of Directors approved the Biocon Biologics - Restricted Stock Units (RSUs) of Biocon Biologics Limited ('RSU Plan 2019') for grant of RSUs to employees of the Group. The NRC administers the plan though a trust called, Biocon Limited Employee Welfare Trust. For this purpose on January 8, 2020, the Company transferred 2,161,904 equity shares of Biocon Biologics Limited to Biocon Limited Employee Welfare Trust.

During the previous year, modification in vesting was approved by NRC. Based on revised approval, 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.

Particulars	March 31, 2025		March 31, 2024	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	51,43,254	2	61,69,619	2
Granted during the year	-	-	-	-
Lapses/forfeited during the year	(19,41,604)	2	(10,26,365)	2
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	32,01,650	2	51,43,254	2
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years)	3	-	4	-
Weighted average fair value of options granted (Rs)	-	-	-	-

(d) RSU Plan 2020

On May 14, 2020, Biocon's Nomination and Remuneration Committee ('NRC') and the Board of Directors approved the Biocon Restricted Stock Units (RSUs) Long Term Incentive Plan Financial Year 2020-24 ("RSU Plan 2020") for grant of RSUs to present and/or future employees of the Company and its present and future subsidiary companies. The plan is implemented though a trust called, Biocon India Limited Employee Welfare Trust wherein the Company will issue shares to the trust by way of fresh allotment over a period of time.

The RSUs granted under this Plan shall vest over a period of time (service condition) and based upon the performance of the employee. The period of vesting shall be determined as per the date of grant and the maximum period of vesting shall not extend beyond August 1, 2024. The actual number of RSUs to be vested each year for each Grantee shall be based on his individual performance conditions, the key parameters of which shall be measured through growth in revenue and profits, delivering on key strategic initiatives and shareholders' value creation and such other conditions as may be determined by the Managing Director and Chief Executive Officer of the Company in accordance with the overall terms set by the NRC.

Particulars	March 31, 2025		March 31, 2024	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	14,31,469	5	17,29,983	5
Granted during the year	-	-	7,13,500	5
Lapses/forfeited during the year	(65,157)	5	(2,64,125)	5
Exercised during the year	(5,30,136)	5	(7,47,889)	5
Expired during the year	-	-	-	-
Outstanding at the end of the year	8,36,176	5	14,31,469	5
Exercisable at the end of the year	3,29,294	-	4,48,817	-
Weighted average remaining contractual life (in years)	1.2	-	1.8	-
Weighted average fair value of options granted (Rs)	-	-	353	-

Assumptions used in determination of the fair value of the stock options under the Black Scholes Model for grants during the year are as follows:

Particulars	
Weighted Average Exercise Price	5
Expected volatility	33.0% to 36.2%
Life of the options granted (vesting and exercise period) in years	0.8
Average risk-free interest rate	7.2%
Expected dividend rate	0.6%

(e) RSU Plan 2025

On Sep 4, 2024, Biocon's Nomination and Remuneration Committee ('NRC') and the Board of Directors approved the Biocon Restricted Stock Units (RSUs) Long Term Incentive Plan Financial Year 2025-29 ("RSU Plan 2025") for grant of RSUs to present and/or future employees of the Company and its present and future subsidiary companies. The plan is implemented though a trust called, Biocon India Limited Employee Welfare Trust.

The RSUs granted under this Plan shall vest over a period of time (service condition) and based upon the performance of the employee. The period of vesting shall be determined as per the date of grant and the maximum period of vesting shall not extend beyond September 1, 2029. The actual number of RSUs to be vested each year for each Grantee shall be based on his individual performance conditions, the key parameters of which shall be measured through growth in revenue and profits, delivering on key strategic initiatives and shareholders' value creation and such other conditions as may be determined by the Managing Director and Chief Executive Officer of the Company in accordance with the overall terms set by the NRC.

Particulars	March 31, 2025	
	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	-	-
Granted during the year	47,30,430	5
Lapses/forfeited during the year	(75,000)	5
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	46,55,430	5
Exercisable at the end of the year	-	-
Weighted average remaining contractual life (in years)	4.5	-
Weighted average fair value of options granted (Rs)	287	-

Assumptions used in determination of the fair value of the stock options under the Black Scholes Model for grants during the year are as follows:

Particulars	March 31, 2025
Weighted Average Exercise Price	5
Expected volatility	33.0% to 36.2%
Life of the options granted (vesting and exercise period) in years	5.25
Average risk-free interest rate	7.0%
Expected dividend rate	0.6%

(f) Syngene ESOP Plan 2011

On July 20, 2012, Syngene Employee Welfare Trust ('Trust') was created for the welfare and benefit of the employees and directors of Syngene and administered by the Nomination and Remuneration Committee. The Board of Directors approved the employee stock option plan of Syngene. On October 31, 2012, the Trust subscribed into the equity shares of the Syngene using the proceeds from interest free loan of Rs. 150 obtained from Syngene.

Grant

Pursuant to the Scheme, Syngene has granted options to eligible employees of the Company under Syngene Employee Stock Option Plan - 2011. Each option entitles for one equity share. The options under this grant will vest to the employees as 25%, 35% and 40% of the total grant at end of second, third and fourth year from the date of grant, respectively, with an exercise period of three years for each grant. The vesting conditions include service terms and performance of the employees. These options are exercisable at an exercise price of Rs. 11.25 [March 31, 2024 : Rs. 11.25] per share (Face Value of Rs. 10 per share).

Details of Grant

Particulars	March 31, 2025	March 31, 2024
	No of Options	No of Options
Outstanding at the beginning of the year	1,34,123	6,10,191
Granted during the year	-	-
Lapses/forfeited during the year	(10,132)	(6,306)
Exercised during the year	(89,992)	(4,69,762)
Outstanding at the end of the year	33,999	1,34,123
Exercisable at the end of the year	33,999	61,472
Weighted average exercise price	11.25	11.25
Weighted average share price at the date of exercise (In Rs)	787.7	745.7

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2025 is 2 years [March 31, 2024- 3 years].

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(g) Syngene Restricted Stock Unit Long Term Incentive Plan 2020

The Board of Directors of Syngene on April 24, 2019 and the Shareholders of the Company in the Annual General Meeting held on July 24, 2019 approved the Syngene Restricted Stock Unit Long Term Incentive Plan FY 2020. Each option entitles for one equity share. The options under this grant will vest to the employees as 25%, 25%, 25% and 25% of the total grant at the end of first, second, third and fourth year from the date of first grant, respectively, with an exercise period of 5 years for each grant. The vesting conditions include service terms and performance of the employees. These options are exercisable at an exercise price of Rs. 10 per share (Face Value of Rs. 10 per share).

Details of Grant

Particulars	March 31, 2025 No of Options	March 31, 2024 No of Options
Outstanding at the beginning of the year	8,42,084	15,73,842
Granted during the year	-	38,032
Lapses/forfeited during the year	(70,507)	(1,28,203)
Exercised during the year	(5,49,015)	(6,41,587)
Outstanding at the end of the year	**2,22,562**	**8,42,084**
Exercisable at the end of the year	2,22,562	5,61,068
Weighted average exercise price	10	10
Weighted average fair value of shares granted during the year under Black Scholes Model (In Rs)	-	584.50
Weighted average share price at the date of exercise (In Rs)	787.72	659.80

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2025 is 2.34 years [March 31, 2024 - 3.34 years].

Assumptions used in determination of the fair value of the stock options under the Black Scholes Model are as follows:

Particulars	March 31, 2025	March 31, 2024
Dividend yield (%)	0.0%	0.0%
Exercise Price (In Rs)	10	10
Expected volatility	30.4%	30.4%
Life of the options granted (vesting and exercise period) in years	3.5	3.5
Average risk-free interest rate	7.2%	7.2%

(h) Syngene Long Term Incentive Performance Share Plan 2023

The Board of Directors of Syngene on 22 March 2023 and the Shareholders of the Syngene on 23 April 2023 approved the Syngene Long Term Incentive Performance Share Plan 2023. Each option entitles for one equity share. The plan comprises of 3 metrics basis which performance is evaluated and the units shall vest on 31 May after the close of the third financial year for which the performance is being considered i.e. 31 May 2025, with an exercise period of 5 years for each grant. The vesting conditions include service terms of the employees. These options are exercisable at an exercise price of Rs. 10 per share (Face Value of Rs. 10 per share).

Details of Grant

Particulars	March 31, 2025 No of Options	March 31, 2024 No of Options
Outstanding at the beginning of the year	2,58,254	-
Granted during the year	11,80,989	2,58,254
Lapses/forfeited during the year	(4,53,476)	-
Exercised during the year	-	-
Outstanding at the end of the year	**9,85,767**	**2,58,254**
Exercisable at the end of the year	-	-
Weighted average exercise price	-	-
Weighted average fair value of shares granted during the year under Black Scholes Model (In Rs)	976.7	905.7
Weighted average share price at the date of exercise (In Rs)	-	-

The weighted average remaining contractual life for the stock options outstanding as at 31 March 2025 is 6.29 years [31 March 2024 : 6.17 years].

Assumptions used in determination of the fair value of the stock options under the Black Scholes Model are as follows:

Particulars	March 31, 2025	March 31, 2024
Dividend yield (%)	0.0%	0.0%
Exercise Price (In Rs)	10	10
Expected volatility	25.4%	26.2%
Life of the options granted (vesting and exercise period) in years	6.29	6.17
Average risk-free interest rate	6.5%	7.1%

(I) Syngene Long Term Incentive Outperformance Share Plan 2023

The Board of Directors of Syngene on 22 March 2023 and the Shareholders of Syngene on 23 April 2023 approved the Syngene Long Term Incentive Outperformance Share Plan.2023. The performance assessment period for the said plan is FY 2023 to FY 2027 (i.e. 5 years). However, no grants were given to any employees during the year ended 31 March 2025. Accordingly, no accounting has been done in the current financial year.

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

On July 21, 2021, Board of Directors of Biocon Biologics Limited ("BBL") approved the Biocon Biologics Limited Restricted Stock Units Long Term Incentive Plan FY 2022-24 ('RSU Plan') for the grant of Restricted stock units to the employees of BBL 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 (ESOP Trust).

In August 2021, based on the approval of the Board of BBL, BBL 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. Where the grant is made after August 01, 2021 and before July 31, 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 after August 1, 2022 and before March 31, 2023, 100% would vest in one year from the date of grant. 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.

Details of Grant

Particulars	March 31, 2025		March 31, 2024	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	68,16,996	10	56,37,230	10
Granted during the year	-	-	18,73,818	10
Lapses/forfeited during the year	(3,59,607)	10	(6,60,462)	10
Exercised during the year	(5,01,379)	10	(33,590)	10
Expired during the year	-	-	-	-
Outstanding at the end of the year	**59,56,010**	10	**68,16,996**	10
Exercisable at the end of the year	59,56,010	10	29,54,271	10
Weighted average remaining contractual life (in years)	2.6	-	3.6	-
Weighted average fair value of options granted (Rs)	240.4	-	240.4	-

Assumptions used in determination of the fair value of the stock options under the option pricing model for the grants during the year are as follows:

Particulars	March 31, 2025	March 31, 2024
Dividend yield (%)	0.0%	0.0%
Exercise Price (In Rs)	10	10
Expected volatility	31.3% - 32.2%	31.3% - 32.2%
Life of the options granted (vesting and exercise period) in years	4	4
Average risk-free interest rate	7.0% - 7.2%	7.0% - 7.2%

(k) Biocon Biologics Limited Restricted Stock Units Long Term Incentive Plan FY 2023

On February 22, 2023, Board of Directors of the Company approved the Biocon Biologics Limited Restricted Stock Units Long Term Incentive Plan FY 2023 ('RSU Plan 2023') 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 (ESOP 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. These options are exercisable at Rs. 10 per RSU.

Details of Grant

Particulars	March 31, 2025		March 31, 2024	
	No of Options	Weighted Average Exercise Price (Rs)	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	15,82,620	10	20,39,997	10
Granted during the year	-	-	9,550	10
Lapses/forfeited during the year	(3,50,186)	10	(4,66,927)	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	**12,32,434**	10	**15,82,620**	10
Exercisable at the end of the year	3,38,530	-	3,93,268	10
Weighted average remaining contractual life (in years)	4.0	-	3.9	-
Weighted average fair value of options granted (Rs)	241.4	-	241.4	-

Assumptions used in determination of the fair value of the stock options under the option pricing model for the grants during the year are as follows:

Particulars	March 31, 2025	March 31, 2024
Dividend yield (%)	0.0%	0.0%
Exercise Price (In Rs)	10	10
Expected volatility	39.5% - 44.7%	39.5% - 44.7%
Life of the options granted (vesting and exercise period) in years	5	5
Average risk-free interest rate	7.1% - 7.4%	7.1% - 7.4%

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(I) 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 Biocon Biologics approved the Biocon Biologics Limited Restricted Stock Units and Performance Stock Units Long Term Incentive Plan FY 2025-29 ('BBL RSU Plan 2025') for the grant of Restricted stock units ('RSU') and Performance stock units to the employees of BBL 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, BBL 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.

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.

Details of Grant

Particulars	March 31, 2025	
	No of Options	Weighted Average Exercise Price (Rs)
Outstanding at the beginning of the year	-	-
Granted during the year	38,98,782	10
Lapses/forfeited during the year	(15,222)	10
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at the end of the year	**38,83,560**	10
Exercisable at the end of the year	-	-
Weighted average remaining contractual life (in years)	4.7	-
Weighted average fair value of options granted (Rs)	301.8	-

Assumptions used in determination of the fair value of the stock options under the option pricing model for the grants during the year are as follows:

Particulars	March 31, 2025
Dividend yield (%)	0.0%
Exercise Price (In Rs)	10
Expected volatility	30.4% - 33.8%
Life of the options granted (vesting and exercise period) in years	5
Average risk-free interest rate	6.5% - 6.7%

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30. Employee stock compensation (continued)

Particulars	March 31, 2025	March 31, 2024
Summary of movement in respect of shares held by ESOP Trust is as follows:		
Opening balance	37,95,118	66,12,268
Add: Shares purchased by the ESOP trust	-	-
Add: Shares issued by the Company	-	-
Less: Shares exercised by employees	(12,58,096)	(28,17,150)
Closing balance	**25,37,022**	**37,95,118**
Options granted and eligible for exercise at end of the year	6,01,664	9,79,872
Options granted but not eligible for exercise at end of the year	8,09,132	17,42,498
Summary of movement in respect of equity shares of Syngene held by the RSU Trust is as follows:		
Opening balance	10,91,447	10,91,447
Less: Shares exercised by employees	-	-
Less: Shares sold by the RSU Trust	-	-
Closing balance	**10,91,447**	**10,91,447**
Options granted and eligible for exercise at end of the year	-	-
Options granted but not eligible for exercise at end of the year	-	-
Summary of movement in respect of equity shares of Biocon Biologics Limited held by the RSU Trust is as follows:		
Opening balance*	1,08,09,520	1,08,09,520
Add: Shares purchased by the RSU Trust from Biocon Limited	-	-
Closing balance	**1,08,09,520**	**1,08,09,520**
Options granted but not eligible for exercise at end of the year	32,01,650	51,43,254
*adjusted for the effect of bonus shares		

31. Earnings per share ('EPS')

Earnings		
Profit for the year attributable to the shareholders of the Company		
Profit for the year	**10,133**	**10,225**
Shares		
Basic outstanding shares	1,20,06,00,000	1,20,06,00,000
Less: Weighted average shares held with the ESOP Trust	(31,44,501)	(51,71,187)
Weighted average shares used for computing basic EPS	**1,19,74,55,499**	**1,19,54,28,813**
Add: Effect of dilutive options granted but not yet exercised / not yet eligible for exercise	7,46,290	14,41,689
Weighted average shares used for computing diluted EPS	**1,19,82,01,789**	**1,19,68,70,502**
Earnings per equity share		
Basic (in Rs)	8.46	8.55
Diluted (in Rs)	8.46	8.54

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32. Exceptional items (net)

a. During the year ended March 31, 2025, one of the subsidiary of BBL has raised funds through issue of senior secured notes amounting to Rs. 66,763 (USD 800 million) and new syndicated facility amounting to Rs. 26,705 (USD 320 million). The funds are utilised to refinance existing term loans. The unamortized portion of debt raise cost of the retired term loans amounting to Rs. 1,216 is written-off to consolidated profit and loss account, classified as an exceptional item in the consolidated financial statements. Consequential tax impact of Rs. 304 was included within tax expense.

b. During the year ended March 31, 2024, one of the subsidiary of BBL recorded provision for inventory for a product due to its low demand and consequentially lower probability of liquation amounting to Rs. 2,366. This was recorded under the head 'Exceptional Item'.

During the year ended March 31, 2025, such inventory amounting to Rs. 885 was liquidated. Hence, the related provision has been reversed and reflected as an exceptional item in the consolidated financial statements for the year. Consequential tax impact of Rs. 147 is included within tax expense.

c. During the year ended March 31, 2025, Syngene received its final claim of Rs. 320 from the insurance company for the loss of fixed assets in fire incident on December 12, 2016.

d. During the year ended March 31, 2025, the Group invested Rs. 75 against equity shares issued by Indian Foundation for Quality Management ('IFQM'). As at March 31, 2025, the Group has fair valued such investment and has recorded fair value charge of Rs. 75 disclosed under 'exceptional items' in the consolidated financial statements.

e. On 04 July 2023, Syngene entered into a binding term sheet for acquiring Unit 3 biologics manufacturing facility in Bangalore, India, from Stelis Biopharma Limited (SBL). The unit has been acquired effective 1 December 2023 on a slump sale basis at a total cash consideration of Rs. 5,632.

Pursuant to above acquisition, Syngene incurred transaction costs of Rs. Rs. 111 for the year ended March 31, 2024 and the same has been disclosed in the consolidated financial statements. Consequential tax impact of Rs. Rs. 31 is included in tax expense for the year.

f. The Department of Pharmaceuticals ('DOP'), via Corrigendum dated October 20, 2023, has modified the PLI guidelines to limit the annual incentive allocation to each applicant for the first 4 years of the scheme. Pursuant to such guidelines, during the year ended March 31, 2024, the Group reversed Rs. 166 of excess PLI accrual made in the consolidated financial statements. Consequential tax impact of Rs. 22 is included in tax expense for the year.

g. During the year ended March 31, 2024, one of the subsidiaries of Biocon Biologics Limited ("BBL") had received Rs. 18,269 towards working capital under the existing arrangements. BBL had recorded these receivables at fair value of Rs. 10,219 having regard to the timing and probability of recovery. The resulting difference of Rs. 8,050 is recorded as a gain in the consolidated financial statements. Consequential tax impact of Rs. 407 is included within tax expense. The remaining contingent consideration receivable of USD 30 Mn was recorded at fair value at Rs.750 under "other financial assets" as at March 31, 2025 [refer note 6]

Further, during the year ended March 31, 2025, BBL settled Rs. 2,518 towards working capital under the existing arrangements, which was recorded at fair value of Rs. 1,382. The resulting difference of Rs. 1,136 is recorded as a gain in the consolidated financial statements. Consequential tax impact of Rs. 284 is included within tax expense.

h. During the year ended March 31, 2024, one of the subsidiaries of Biocon Biologics Limited ("BBL") pursuant to the uncertainty of ability to commercialize a product for development and commercialization in certain territories, recorded an impairment of the carrying value of the intangible asset amounting to Rs. 3,854.

i. During the year ended March 31, 2024, Biocon Pharma Limited ('BPL') and its subsidiaries pursuant to the uncertainty in commercialization of product in certain territories, recorded an impairment of the carrying value of the intangible asset amounting Rs. 91. Similarly, Rs. 86 is recorded an impairment of the carrying value of the intangible asset during the year ended March 31, 2025 by one of the subsidiary of BPL.

j. BBL had obtained services of professional experts (like advisory, legal counsel, valuation experts etc.) for the acquisition of Viatris Biosimilar's business in the year 2023. The Group recorded Rs. 1,582 in the year ended March 31, 2024 as an expense in the consolidated financial statements.

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33. Related party transactions

List of related parties with whom the Group had transactions during the year:

Name of related parties	Nature of relationship
Key management personnel	
Kiran Mazumdar Shaw	Executive Chairperson
Siddharth Mittal	Managing Director & Chief Executive Officer
Indranil Sen	Chief Financial Officer (upto March 14, 2024)
Mukesh Kamath	Interim Chief Financial Officer (w.e.f June 11, 2024)
Mayank Verma	Company Secretary (upto April 14, 2025)
Meleveetil Damodaran	Independent director (upto July 25, 2024)
Bobby Kanubhai Parikh	Independent director
Ravi Rasendra Mazumdar	Non-executive director
Eric Vivek Mazumdar	Non-executive director
Naina Lal Kidwai	Independent director
Peter John Bains	Independent director (w.e.f December 12, 2022 upto September 18, 2023)
Peter John Bains	Group Chief Executive Officer (w.e.f. September 18, 2023 upto March 31, 2025)
Rekha Mehrotra Menon	Independent director
Nicholas Hagger	Independent director (w.e.f September 01, 2023)
Atul Dhawan	Independent director (w.e.f May 16, 2024)
Joint Ventures	
NeoBiocon FZ LLC	Joint-venture
Other related parties	
Mylan Inc. (w.e.f November 29, 2022)	Investor which has significant influence over a subsidiary
Biocon Foundation	Trust in which key management personnel are the Board of Trustees
Immuneel Therapeutics Private Limited	Enterprise in which a director of the Company is a member of board of directors
Bicara Therapeutics Inc.	Enterprise in which a director of the Company is a member of board of directors (w.e.f. December 13, 2023)
Mazumdar Shaw Medical Foundation	Trust in which key management personnel are the Board of Trustees
Glentec International Limited	Enterprise owned by key management personnel
Catherine Rosenberg	Relative of a director
Jeeves	Enterprise in which relative to a director of the Company is proprietor
Narayana Hrudayalaya Limited	Enterprise in which a director of the Company is a member of board of directors

The Group has the following related party transactions

Particulars	Transactions / Balances	March 31, 2025	March 31, 2024
Key management personnel	Salary and perquisites [refer note (a) & (b) below]	277	199
	Sitting fees and commission	72	63
	Outstanding as at the year end:		
	- Trade and other payables	14	3
Associate	Sale of services	-	1,195
	Outstanding as at the year end:		
	- Trade and other receivables	-	190
Joint Venture	Purchase of goods	-	47
	Sale of services	18	-
	Dividend received	28	-
	Sales promotion and other expenses	-	18
	Outstanding as at the year end:		
	- Trade and other payables	4	301
Other related parties	Sale of goods	-	46
	Sale of services	-	8
	Expense cross charge in relation to Transition Support Agreement ('TSA')	536	10,924
	Expenses incurred by related party on behalf of the Company	884	130
	Health services availed	4	-
	CSR Expenditure	221	198
	Other expenses	63	69
	Outstanding as at the year end:		
	- Trade and other receivables	61	10
	- Deferred consideration payable	-	27,423
	- Contingent consideration payable	8,970	7,426
	- Contingent consideration receivable	-	750
	- Trade and other payables	144	-

* Amounts are not represented since the amounts are rounded off to Rupees million.
^ For closing receivables and payable balances arising from business combination, refer note 6(a) and note 16.

(a) The remuneration to key management personnel doesn't include the provisions made for gratuity and compensated absences amounting to Rs 12 (March 31, 2024: Rs 13), as they are obtained on an actuarial basis for the Company as a whole.

(b) Share-based compensation expense allocable to key management personnel is Rs 66 (March 31, 2024 - Rs 59) which is not included in the remuneration disclosed above.

(c) The above disclosures include related parties as per Ind AS 24 on "Related Party Disclosures".

(d) All transactions with these related parties are priced on an arms length basis and none of the balances are secured.

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	March 31, 2025	March 31, 2024
34. Contingent liabilities and commitments		
(to the extent not provided for)		
(i) Contingent liabilities:		
(a) Claims against the Company not acknowledged as debt	11,761	11,356
The above includes:		
(i) Direct taxation	9,468	9,337
(ii) Indirect taxation (includes matters pertaining to disputes on central excise, custom duty and service tax)	1,945	1,671
(iii) Other matters	348	348

In light of recent judgment of Honorable Supreme Court dated February 28, 2019 on the definition of "Basic Wages" under the Employees Provident Funds & Misc. Provisions Act, 1952 and based on Group's evaluation, there are significant uncertainties and numerous interpretative issues relating to the judgement and hence It is unclear as to whether the clarified definition of Basic Wages would be applicable prospectively or retrospectively. The amount of the obligation therefore cannot be measured with sufficient reliability for past periods and hence has currently been considered to be a contingent liability in one of its subsidiary.

The Group 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 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 Group 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 Group 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 are not tenable and will not have any material adverse effect on the Group's financial position and results of operations.

(b) Guarantees		
Guarantees given by banks on behalf of the Group for contractual obligations of the Group	50	50
(ii) Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances		
- Towards property plant and equipments	9,054	14,588
- Towards others	-	-

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35. Employee benefit plans

(i) The Group has a defined benefit gratuity plan as per the 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 primarily a funded plan and the Group makes contributions to a recognised fund in India.

The plan assets are maintained with HDFC Life Insurance Company Limited (HDFC Life) in respect of gratuity scheme for employees of the Group. The details of investments maintained by the HDFC Life are not available with the Group and not disclosed. The expected rate of return on plan assets is 6.5% p.a. (March 31, 2024: 7.3% p.a.). The Group actively monitors how the duration and expected yield of the investments are matching the expected outflows arising from the employee benefit obligations.

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. Actuarial valuations involve making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to these complexity involved in the valuation it is highly sensitive to the changes in these assumptions. All assumptions are reviewed at reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

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 Group's financial statements as at balance sheet date:

Particulars	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/liability
Balance as on April 01, 2024	**1,507**	**(8)**	**1,499**
Current service cost	179	-	179
Interest expense / (income)	104	(1)	103
Amount recognised in Statement of profit and loss	**283**	**(1)**	**282**
Remeasurements:			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
Actuarial (gain) / loss arising from:			
Demographic assumptions	(20)	-	(20)
Financial assumptions	14	-	14
Experience adjustment	70	-	70
Amount recognised in other comprehensive income	**64**	**-**	**64**
Liabilities transferred out	(42)		(42)
Benefits paid	(181)	-	(181)
Balance as at March 31, 2025	**1,631**	**(9)**	**1,622**

Particulars	Present value of defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/liability
Balance as on April 01, 2023	**1,308**	**(7)**	**1,301**
Current service cost	169	-	169
Interest expense / (income)	95	(1)	94
Amount recognised in Statement of profit and loss	**264**	**(1)**	**263**
Remeasurements:			
Return on plan assets, excluding amounts included in interest expense / (income)	-	-	-
Actuarial (gain) / loss arising from:			
Demographic assumptions	-	-	-
Financial assumptions	9	-	9
Experience adjustment	72	-	72
Amount recognised in other comprehensive income	**81**	**-**	**81**
Liabilities transferred out	(8)	-	(8)
Benefits paid	(138)	-	(138)
Balance as at March 31, 2024	**1,507**	**(8)**	**1,499**

Particulars	March 31, 2025	March 31, 2024
Non-current	1,214	1,101
Current	408	398
	1,622	**1,499**

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35. Employee benefit plans (continued)

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

	March 31, 2025	March 31, 2024
Interest rate	6.6%	7.2%
Discount rate	6.6%	7.2%
Expected return on plan assets	6.6%	7.3%
Salary increase	6.5% - 9%	9% - 10%
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 as per IALM (2012-14)

The weighted average duration of Group's defined benefit obligation was 6-9 years (March 31, 2024 - 6-9 years).

These defined benefit plans expose the Group to actuarial risks, such as longevity and interest rate risk.

(iii) Sensitivity analysis

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis does not recognise the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions are as below:

Particulars	March 31, 2025		March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (1% change)	(74)	82	(65)	72
Salary increase (1% change)	80	(74)	70	(65)
Attrition rate (1% change)	(13)	14	(10)	11

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 the cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

As of March 31, 2025 and March 31, 2024, the plan assets have been invested in insurer managed funds and the expected contribution to the fund during the year ending March 31, 2026, is approximately Rs 281 (March 31, 2025 - Rs 218).

Maturity profile of defined benefit obligation

Particulars	March 31, 2025	March 31, 2024
1st Following year	281	218
2nd Following year	232	183
3rd Following year	226	204
4th Following year	225	166
5th Following year	178	159
Years 6 to 10	820	852
Years 11 and above	285	503

(iv) Risk Exposure

These defined benefit plans typically expose the Group to actuarial risks as under:

a) Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
b) Interest rate risk: A decrease in bond interest rate will increase the plan liability.
c) Longevity risk: The present value of the defined plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy will increase the plan's liability.
d) Salary risk: Higher than expected increase in salary will increase the defined benefit obligation.

(v) Other Long term benefits

Present value of other long term benefits (i.e compensated absences) obligations at the end of the year :

Particulars	March 31, 2025	March 31, 2024
Compensated absences	1,372	1,261

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36. Financial instruments: Fair value and risk managements

A. Accounting classification and fair values

	Carrying amount					Fair value			
March 31, 2025	FVTPL	FVTOCI	Amortised Cost	FVTOE*	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Non-current investments	264	6,533	-	-	6,797	6,237	-	560	6,797
Derivative assets	-	2,838	-	-	2,838	-	2,838	-	2,838
Current investments	4,473	-	-	-	4,473	4,473	-	-	4,473
Trade receivables	-	-	54,879	-	54,879	-	-	-	-
Cash and cash equivalents	-	-	32,271	-	32,271	-	-	-	-
Other bank balances	-	-	8,931	-	8,931	-	-	-	-
Other financial assets	-	-	5,242	-	5,242	-	-	-	-
	4,737	**9,371**	**1,01,323**	**-**	**1,15,431**	**10,710**	**2,838**	**560**	**14,108**
Financial liabilities									
Borrowings	20,913	-	1,56,642	-	1,77,555	-	-	20,913	20,913
Trade payables	-	-	65,487	-	65,487	-	-	-	-
Derivative liabilities	-	687	-	-	687	-	687	-	687
Other financial liabilities	8,970	-	14,452	14,186	37,608	-	-	23,156	23,156
Lease liabilities	-	-	6,065	-	6,065	-	-	-	-
	29,883	**687**	**2,42,646**	**14,186**	**2,87,402**	**-**	**687**	**44,069**	**44,756**

	Carrying amount					Fair value			
March 31, 2024	FVTPL	FVTOCI	Amortised Cost	FVTOE*	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Non-current investments	264	6,573	4	-	6,841	6,295	-	542	6,837
Derivative assets	-	4,041	-	-	4,041	-	4,041	-	4,041
Current investments	3,156	-	-	-	3,156	3,156	-	-	3,156
Trade receivables	-	-	62,306	-	62,306	-	-	-	-
Cash and cash equivalents	-	-	12,336	-	12,336	-	-	-	-
Other bank balances	-	-	10,251	-	10,251	-	-	-	-
Other financial assets	750	-	6,485	-	7,235	-	-	750	750
	4,170	**10,614**	**91,382**	**-**	**1,06,166**	**9,451**	**4,041**	**1,292**	**14,784**
Financial liabilities									
Borrowings	18,324	-	1,38,972	-	1,57,296	-	-	18,324	18,324
Trade payables	-	-	62,720	-	62,720	-	-	-	-
Derivative liabilities	-	12	-	-	12	-	12	-	12
Other financial liabilities	7,426	-	35,286	18,018	60,730	-	-	25,444	25,444
Lease liabilities	-	-	5,471	-	5,471	-	-	-	-
	25,750	**12**	**2,42,449**	**18,018**	**2,86,229**	**-**	**12**	**43,768**	**43,780**

*Refer note 16 for measurement of non current financial liabilities carried at fair value through other equity (FVTOE)

(a) The fair value of trade receivables, trade payables 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) There have been no transfers between level 1, 2 and 3 needs to be made

(c) The Group enters into derivative financial instruments with various counterparties. Derivatives are valued using valuation techniques in consultation with market expert The most frequently applied valuation technique include forward pricing, swap models and Black Scholes Merton Model (for options valuation), using present value calculations The models incorporate various inputs including foreign exchange forward rates, interest rate curve and forward rates curve.

B. Measurement of fair values

Fair value of liquid investments are based on quoted price. Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place. Contingent consideration arising from business acquisition and Non-Convertible Debentures are valued based on option pricing models, as disclosed in note 36(C).

Sensitivity analysis

For the fair values of derivative contracts of foreign currencies and interest rates swaps, reasonably possible changes at the reporting date to one of the significant observable inputs, holding other inputs constant, would have the following effects in other comprehensive income (OCI).

	March 31, 2025 Impact on other components of equity		March 31, 2024 Impact on other components of equity	
Significant observable inputs	Increase	Decrease	Increase	Decrease
Spot rate of the foreign currency (1% movement)	(287)	259	(617)	595
Interest rates (100 bps movement)	335	(335)	840	(840)

Fair value of the forward foreign contracts are determined using spot and forward exchange rates at the balance sheet dates.

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36. Financial instruments: Fair value and risk managements (continued)

C. Significant Unobservable inputs used in Level 3 Fair Values

As at March 31, 2025	Valuation Techniques	Significant unobservable inputs	Sensitivity of input to fair value measurement
a) Contingent consideration payable	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.
		b) Volatility rate	A 5% increase in volatility rate would have led to approximately Rs. 356 gain in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 343 loss in Statement of Profit and loss.
b) Non Convertible Debentures [refer note 14(k)]	Binomial Option Pricing Model - using risk free discount rate and growth rate.	a) Discount rate	A 1% increase in discount rate would have led to approximately Rs. 220 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 223 loss in Statement of Profit and loss.
		b) Volatility rate	A 5% increase in volatility rate would have led to approximately Rs. 164 gain in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 245 loss in Statement of Profit and loss.

As at March 31, 2024	Valuation Techniques	Significant unobservable inputs	Sensitivity of input to fair value measurement
a) Contingent consideration receivable	Binomial Option Pricing Model - using risk free discount rate and growth rate.	a) Discount rate	A 1% increase in discount rate would have led to approximately Rs. 17 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 17 loss in Statement of Profit and loss.
		b) Volatility rate	A 5% increase in volatility rate would have led to approximately Rs. 46 loss in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 52 gain in Statement of Profit and loss.
b) Contingent consideration payable	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. 231 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 233 loss in Statement of Profit and loss.
		b) Volatility rate	A 5% increase in volatility rate would have led to approximately Rs. 114 gain in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 76 loss in Statement of Profit and loss.
c) Non Convertible Debentures [refer note 14(k)]	Binomial Option Pricing Model - using risk free discount rate and growth rate.	a) Discount rate	A 1% increase in discount rate would have led to approximately Rs. 305 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 313 loss in Statement of Profit and loss.
		b) Volatility rate	A 5% increase in volatility rate would have led to approximately Rs. 6 gain in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 4 loss in Statement of Profit and loss.

D. Reconciliation of Level 3 fair values

	Non-current investments	Contingent consideration receivable	Contingent consideration payable	Non Convertible Debentures [refer note 14(l)]	Gross liability on written put options [refer note 16(a)(i)]
At April 01, 2023	545	8,993	6,583	10,922	14,039
Investment made in the current year	130	-	-	-	3,000
Proceeds from Issue	-	-	-	5,000	-
Gain/loss included in Statement of Profit and loss					
- Net change in fair value loss (unrealised)	-	-	843	2,402	979
- Net change in fair value gain (unrealised)	5,744	1,895	-	-	-
Derecognised on account of conversion to Equity shares	-	(10,219)	-	-	-
Foreign currency translation adjustment	-	81	-	-	-
At March 31, 2024	6,419	750	7,426	18,324	18,018
Investment made in the current year	93	-	-	-	-
Gain/loss included in Statement of Profit and loss					
- Net change in fair value loss (unrealised)	-	632	1,544	2,589	1,718
- Net change in fair value gain (unrealised)	272	-	-	-	-
Derecognised on account of settlement	-	(1,382)	-	-	(5,550)
Foreign currency translation adjustment	-	-	-	-	-
At March 31, 2025	6,784	-	8,970	20,913	14,186

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36. Financial instruments: Fair value and risk managements (continued)

E. Financial risk management

The Group has exposure to the following risks arising from financial instruments:
- Credit risk
- Liquidity risk
- Market risk

(i) Risk management framework

The Group'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.

(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.

Customer credit risk is managed by each business unit subject to Group's established policy, procedures and control relating to customer credit risk management. The Audit and Risk Management Committee of the respective Company's has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, where available, and other publicly available financial information. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

The Group establishes an allowance for impairment that represents its estimate of expected credit loss in respect of trade and other receivables. The maximum exposure to credit risk at reporting date is primarily from trade receivables amounting to Rs. 54,879 (March 31, 2024: Rs. 62,306). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

Allowance for credit loss	March 31, 2025	March 31, 2024
Opening balance	646	617
Allowance for credit loss recognised / (reversed)	(19)	29
Closing balance	627	646

Refer note 11 for details of aging of trade receivables and allowance for credit losses.

Trade receivables including unbilled revenue from two individual customers is Rs. 11,428 (March 31, 2024 - Nil) which is individually more than 10 percent of the Group's trade receivables including unbilled revenue.

Credit risk on cash and cash equivalent and derivatives is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies which are rated A1+ or AAA . Investments primarily include investment in liquid mutual fund units, bonds and non-convertible debentures.

(iii) Liquidity risk

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

As stated in note 48 (d), the Group believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. In addition, the Group maintains lines of credit as stated in note 14 and note 19.

The following are the contractual maturities of financial liabilities and excluding interest payments. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay:

March 31, 2025

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Borrowings [refer note b]	53,498	25,506	98,551	-	1,77,555
Trade payables	65,487	-	-	-	65,487
Lease liabilities	797	852	2,345	5,340	9,334
Derivative liabilities	455	232	-	-	687
Other financial liabilities [refer note a]	9,326	28,282	-	-	37,608
Total	1,29,563	54,872	1,00,896	5,340	2,90,671

March 31, 2024

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Borrowings [refer note b]	25,528	8,293	1,23,475	-	1,57,296
Trade payables	62,720	-	-	-	62,720
Lease liabilities	868	689	1,678	2,797	6,032
Derivative liabilities	12	-	-	-	12
Other financial liabilities [refer note a]	50,005	-	10,725	-	60,730
Total	1,39,133	8,982	1,35,878	2,797	2,86,790

(a) Other financial liabilities includes amounts payable towards Gross obligation liability, refer note 16.

(b) Borrowings include non-convertible debentures amounting to Rs. 20,913 (March 31, 2024: Rs. 18,324) related to agreements with the lenders containing certain put options fully described in note 14 to these financial statements.

(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

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36. Financial instruments: Fair value and risk managements (continued)

Foreign currency risk

The Group operates internationally and a major portion of the business is transacted in several currencies and consequently, the Group is exposed to foreign exchange risk through operating and borrowing activities in foreign currency. The Group holds derivative instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates and foreign currency exposure

The currency profile of financial assets and financial liabilities as at March 31, 2025 and March 31, 2024 are as below:

March 31, 2025	USD	EUR	Others	Total
Financial assets				
Investments	15	-	-	15
Trade receivables	38,881	6,841	3,051	48,773
Cash and cash equivalents	25,287	2,956	994	29,237
Other bank balances	20	-	-	20
Other financial assets	976	56	10	1,042
Financial liabilities				
Non- current borrowings (including current maturities)	(1,19,145)	-	-	(1,19,145)
Current borrowings	(27,819)	-	-	(27,819)
Trade payables	(31,918)	(14,404)	(7,459)	(53,781)
Other financial liabilities	(28,512)	(269)	(20)	(28,801)
Net financial assets / (liabilities)	**(1,42,215)**	**(4,820)**	**(3,424)**	**(1,50,459)**

March 31, 2024	USD	EUR	Others	Total
Financial assets				
Investments	231	-	-	231
Trade receivables	48,370	8,206	2,243	58,819
Cash and cash equivalents	7,973	924	899	9,796
Other bank balances	16	-	-	16
Other financial assets	1,154	-	-	1,154
Financial liabilities				
Non- current borrowings (including current maturities)	(1,11,998)	-	-	(1,11,998)
Current borrowings	(13,172)	-	-	(13,172)
Trade payables	(38,779)	(5,943)	(9,424)	(54,146)
Other financial liabilities	(35,172)	(67)	(318)	(35,557)
Net financial assets / (liabilities)	**(1,41,377)**	**3,120**	**(6,600)**	**(1,44,857)**

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, 2025	March 31, 2024	March 31, 2025	March 31, 2024
USD Sensitivity				
INR/USD - Increase by 1%	(1,422)	(1,414)	(1,709)	(2,031)
INR/USD - Decrease by 1%	1,422	1,414	1,709	2,031
EUR Sensitivity				
INR/EUR - Increase by 1%	(48)	31	(48)	31
INR/EUR - Decrease by 1%	48	(31)	48	(31)

Derivative financial instruments

The following table gives details in respect of outstanding foreign exchange forward and option contracts:

Particulars	March 31, 2025	March 31, 2024
	(in Million)	
Foreign exchange forward contracts to buy USD with maturity between 0-2 years	-	USD 115
Foreign exchange forward contracts to sell USD with maturity between 0-8 years	USD 643	USD 692
European style option contracts with periodical maturity between 0-8 years	USD 233	USD 281
European style range forward contracts with periodical maturity between 0-2 years	USD 211	USD 235
Interest rate swaps used for hedging SOFR component in external commercial borrowings	USD 435	USD 560
Foreign exchange forward contracts to buy between 0-2 Years -JPY	USD 56	-
Foreign exchange forward contracts to sell between 0-2 Years	EUR 128	-
European style range forward contracts with periodical maturity dates between 0-2 Years	EUR 112	-

All of the above contracts are effective as at March 31,2025 and March 31, 2024 and designated through other comprehensive income.

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36. Financial instruments: Fair value and risk managements (continued)

Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. During the year ended March 31, 2025 and March 31, 2024 the Group's borrowings at variable rate were mainly denominated in USD.

(a) Interest rate risk exposure

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

Particulars	March 31, 2025	March 31, 2024
Variable rate borrowings	78,222	1,26,349
Fixed rate borrowings	99,333	30,947
Total borrowings	**1,77,555**	**1,57,296**

(b) Sensitivity

The Group policy is to maintain a optimum balance between fixed and variable rate borrowings using interest rate swaps to achieve this when necessary. The Group 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. 782 (March 31, 2024 : Rs. 1,263)

Net investment hedges

A foreign currency exposure arises from the Group's net investment in its foreign subsidiaries that have a USD functional currency. The risk arises from the fluctuation in spot exchange rates between the USD and the INR, which causes the amount of the net investment to vary.

The hedged risk in the net investment hedge is the risk of a weakening USD against the INR that will result in a reduction in the carrying amount of the Group's net investment in its foreign subsidiaries.

During the previous year, the Group designated a USD denominated loan as a hedging instrument to hedge its net investment in foreign operation of its foreign subsidiaries, which mitigates the foreign currency risk arising from the subsidiary's net assets. During the current year, the USD denominated loan has been repaid.

To assess hedge effectiveness, the Group determines the economic relationship between the hedging instrument and the hedged item by comparing changes in the carrying amount of the debt that is attributable to a change in the spot rate with changes in the investment in the foreign operation due to movements in the spot rate (the offset method). The Group's policy is to hedge the net investment only to the extent of the debt principal.

March 31, 2025

Particulars	Nominal Amount	Assets	Liabilities	Balance sheet item where the hedging instrument in included	Change in value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss
Hedging instrument						
Foreign exchange denominated debt (USD)	7,689	-	(7,689)	Borrowings	(304)	-
Hedged item						
USD net investment	7,689	7,689	-	Net investment	304	-

March 31, 2024

Particulars	Nominal Amount	Assets	Liabilities	Balance sheet item where the hedging instrument in included	Change in value of hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or loss
Hedging instrument						
Foreign exchange denominated debt (USD)	12,501	-	(12,501)	Borrowings	(151)	-
Hedged item						
USD net investment	12,501	12,501	-	Net investment	151	-

37: Capital management

The key objective of the Group's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Group focused on keeping strong total equity 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 Group.

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

The capital structure as of March 31, 2025 and March 31, 2024 was as follows:

Particulars	March 31, 2025	March 31, 2024
Total equity attributable to owners of the Company	2,16,440	1,97,837
As a percentage of total capital	**55%**	**56%**
Long-term borrowings	1,24,054	1,29,324
Short-term borrowings	53,501	27,972
Total borrowings	1,77,555	1,57,296
Debt-equity ratio	**45%**	**44%**
Total capital (Equity and Borrowings)	**3,93,995**	**3,55,133**

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38. Tax expenses

(a) Amount recognised in Statement of profit and loss	March 31, 2025	March 31, 2024
Current tax	3,693	3,143
Deferred tax expense / (income) related to:		
MAT credit written off/ entitlement	554	(774)
Tax expense on removal of indexation benefit*	199	-
Origination and reversal of temporary differences	126	(95)
Tax expense for the year	**4,572**	**2,274**

(b) Reconciliation of effective tax rate		
Profit/ (loss) before tax		
Profit before tax	**18,866**	**15,252**
Tax at statutory income tax rate 25.17% (March 31, 2024- 25.17%)	4,749	3,839
Tax effects of amounts which are not deductible / (taxable) in calculating taxable income		
Difference in overseas/domestic tax rates	1,769	1,193
Exempt income and other deductions	(2,326)	(2,040)
Non-deductible expense/ (income)	514	(209)
Tax losses on which no deferred tax has been recognised	496	263
Tax expense on removal of indexation benefit	199	-
Fair value & dilution gain in associate	-	(911)
Share in loss/ (profit) of joint venture and associate	-	212
Difference in rates for Top-up Tax	444	510
Tax for earlier years	(69)	(334)
Others [refer note (i) below]	(1,204)	(249)
Income tax expense	**4,572**	**2,274**

(i) Amounts for year ended March 31, 2025, includes tax impact on sale on business [refer note 42C].

*Pursuant to amendment in The Finance Act, 2024, resulting in withdrawal of indexation benefit on Long-Term Capital Gain, the Company has written off Deferred Tax Asset created towards indexation benefit on Land amounting to Rs. 199.

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38. Tax expenses (continued)

(d) Recognised deferred tax assets and liabilities

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

For the year ended March 31, 2025	Opening balance	Others	Recognised in profit or loss	Recognised in OCI	Exchange difference	Closing balance
Deferred tax liabilities						
Property, plant and equipment and intangible assets	3,742	(5)	(253)	-	1	3,485
Intangible assets acquired in business combination [refer note 42A]	2,852	-	999	-	90	3,941
Goodwill	894	-	3,748		73	4,715
Derivative assets	507	-	159	(388)		278
Deferred consideration	215	(24)	(196)		5	-
Others	-	-	(387)	-	-	(387)
Gross deferred tax liabilities	**8,210**	**(29)**	**4,070**	**(388)**	**169**	**12,032**
Deferred tax assets						
Provision for employee benefits	607	11	306	24	9	957
Allowance for doubtful debts	26	-	30			56
Other deductible expenses	78	-	42		55	175
MAT credit entitlement	3,419	105	(549)			2,975
Deferred revenue	80	-	8			88
Carry forward losses	2,405	-	3,677			6,082
Others	853	(39)	(323)	33	175	699
Gross deferred tax assets	**7,468**	**77**	**3,191**	**57**	**239**	**11,032**
	(742)	**106**	**(879)**	**445**	**70**	**(1,000)**

For the year ended March 31, 2024	Opening balance	Impact of Business combination [note 42A]	Recognised in profit or loss	Recognised in OCI	Exchange difference	Closing balance
Deferred tax liabilities						
Property, plant and equipment and intangible assets	3,771	-	(128)	-	99	3,742
Intangible assets acquired in business combination [refer note 42A]	2,852	-	-	-	-	2,852
Goodwill	654	-	231	-	9	894
Derivative assets	155	-	(329)	681	-	507
Deferred consideration	385	-	(166)	-	(4)	215
Others	-	-	-	-	-	-
Gross deferred tax liabilities	**7,817**	**-**	**(392)**	**681**	**104**	**8,210**
Deferred tax assets						
Provision for employee benefits	525	-	60	22	-	607
Allowance for doubtful debts	119	-	(93)	-	-	26
Other deductible expenses	180	-	(102)	-	-	78
MAT credit entitlement	2,723	-	696	-	-	3,419
Deferred revenue	93	-	(13)	-	-	80
Carry forward losses	2,603	-	(198)	-	-	2,405
Others	766	-	127	(6)	(34)	853
Gross deferred tax assets	**7,009**	**-**	**477**	**16**	**(34)**	**7,468**
	(808)	**-**	**869**	**(665)**	**(138)**	**(742)**

Deferred tax balances	**March 31, 2025**	**March 31, 2024**
Deferred tax assets (net)	2,577	3,173
Deferred tax liabilities (net)	(3,577)	(3,915)
	(1,000)	**(742)**

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39. Interest in other entities

(a) Subsidiaries

The Group's subsidiaries as at March 31, 2025 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held by the Group, and proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

No.	Name of entity	Country of Incorporation	Ownership interest held by the Group		Ownership interest held by the non-controlling interest		Principal activities
			March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	
			%	%	%	%	
1	Syngene International Limited	India	52.5	54.9	47.5	45.1	Contract research and manufacturing services
2	Biocon Pharma Limited ('BPL')	India	100.0	100.0	-	-	Biopharmaceutical manufacturing
3	Biocon Biologics Limited*	India	76.8	75.6	23.2	24.4	Biopharmaceutical manufacturing
4	Biocon Biosphere Limited	India	100.0	100.0	-	-	Biopharmaceutical manufacturing
5	Biocon Academy	India	100.0	100.0	-	-	Not for profit organisation
6	Syngene Scientific Solutions Limited	India	52.5	54.9	47.5	45.1	CRAMS and clinical research services
7	Syngene Manufacturing Solutions Limited	India	52.5	54.9	47.5	45.1	Manufacture of enzyme products and medicinal goods
8	Biocon SA	Switzerland	100.0	100.0	-	-	Research and development
9	Biocon Sdn Bhd	Malaysia	76.8	75.6	23.2	24.4	Biopharmaceutical manufacturing and sale of biosimilar products
10	Biocon Biologics Healthcare Malaysia SDN. BHD	Malaysia	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
11	Biocon Biologics UK Limited	United Kingdom	76.8	75.6	23.2	24.4	Sale of biosimilar products
12	Biocon Pharma UK Limited	United Kingdom	100.0	100.0	-	-	Sale of pharmaceutical products
13	Biosimilars Newco Limited	United Kingdom	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
14	Biocon Biologics Inc.	United States	76.8	75.6	23.2	24.4	Business support and marketing for Biosimilar products
15	Biocon Pharma Inc.	United States	100.0	100.0	-	-	Sale of pharmaceutical products
16	Syngene USA Inc.	United States	52.5	54.9	47.5	45.1	Marketing and business development support services
17	Biocon Biologics do Brasil Ltda.	Brazil	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
18	Biocon Biologics FZ-LLC	Dubai	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
19	Biocon FZ LLC.	Dubai	100.0	100.0	-	-	Sale of pharmaceutical products
20	Biocon Pharma Ireland Limited	Ireland	100.0	100.0	-	-	Sale of pharmaceutical products
21	Biosimilars Collaborations Ireland Limited	Ireland	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
22	Biocon Pharma Malta Limited	Malta	100.0	100.0	-	-	Sale of pharmaceutical products
23	Biocon Pharma Malta I Limited	Malta	100.0	100.0	-	-	Sale of pharmaceutical products
24	Biocon Biologics Canada Inc.	Canada	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
25	Biocon Biologics Germany GmbH	Germany	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
26	Biocon Biologics France S.A.S	France	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
27	Biocon Biologics Spain, S.L.	Spain	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
28	Biocon Biologics Switzerland AG	Switzerland	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
29	Biocon Biologics Belgium BV	Belgium	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
30	Biocon Biologics Finland OY	Finland	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
31	Biocon Generics Inc.	United States	100.0	100.0	23.2	24.4	Sale of biopharmaceutical products
32	Biocon Biologics Morocco S.A.R.L.A.U	Morocco	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
33	Biocon Biologics Greece SINGLE MEMBER P.C	Greece	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
34	Biocon Biologics South Africa (PTY) Ltd	South Africa	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
35	Biocon Biologics (Thailand) Co. Ltd	Thailand	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
36	Biocon Biologics Philippines Inc	Philippines	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
37	Biocon Biologics Italy S.R.L	Italy	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
38	Biocon Biologics Croatia LLC	Croatia	76.8	75.6	23.2	24.4	Sale of biopharmaceutical products
39	Biocon Biologics Global PLC#	United Kingdom	76.8	-	23.2	NA	Sale of biopharmaceutical products

* Also refer note 16
\# Incorporated during the current year

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39. Interest in other entities (continued)

(b) Non-controlling interests

Below is the summarised consolidated financial information for Syngene International Limited and Biocon Biologics Limited that has non-controlling interests that is material to the Group as on March 31, 2025. The amounts disclosed for the subsidiary are before inter-company eliminations.

Syngene International Limited

Summarised balance sheet

Particulars	March 31, 2025	March 31, 2024
Non-current assets	45,086	41,926
Current assets	22,873	19,590
Total assets	**67,959**	**61,516**
Non-current liabilities	6,727	7,496
Current liabilities	13,964	11,443
Total liabilities	**20,691**	**18,939**
Net assets	47,268	42,577
Accumulated non-controlling interest	**22,495**	**19,440**

Summarised statement of profit and loss

Particulars	March 31, 2025	March 31, 2024
Revenue from operations	36,424	34,886
Profit for the year	4,962	5,100
Other comprehensive income	(147)	1,426
Total comprehensive income	**4,815**	**6,526**
Total comprehensive income allocated to non-controlling interests	2,246	2,944
Dividends paid to non-controlling interests	(229)	(226)

Summarised statement of cash flows

Particulars	March 31, 2025	March 31, 2024
Cash flows generated from operating activities	11,676	10,422
Cash flows used in investing activities	(7,448)	(4,956)
Cash flows (used in) from financing activities	(1,417)	(5,514)
Net (decrease) in cash and cash equivalents	**2,811**	**(48)**

Biocon Biologics Limited

Summarised balance sheet

Particulars	March 31, 2025	March 31, 2024
Non-current assets	3,34,599	3,30,169
Current assets	1,08,855	1,00,923
Total assets	**4,43,454**	**4,31,092**
Non-current liabilities	1,40,598	1,28,128
Current liabilities	1,05,928	1,19,555
Total liabilities	**2,46,526**	**2,47,683**
Net assets	1,96,928	1,83,409
Accumulated non-controlling interest	**38,190**	**35,471**

Summarised statement of profit and loss

Particulars	March 31, 2025	March 31, 2024
Revenue from operations	90,174	88,242
Profit for the year	8,896	2,182
Other comprehensive income	4,084	2,610
Total comprehensive income	**12,980**	**4,792**
Total comprehensive income allocated to non-controlling interests	2,719	988

Summarised statement of cash flows

Particulars	March 31, 2025	March 31, 2024
Cash flows generated from operating activities	23,729	21,867
Cash flows used in investing activities	(1,371)	(7,338)
Cash flows (used in) / generated from financing activities	(9,200)	(17,719)
Net (decrease) / increase in cash and cash equivalents	**13,158**	**(3,190)**

(c) Interest in joint venture

The Group has only one joint venture in the name of NeoBiocon FZ LLC ("NeoBiocon") , incorporated in Dubai as at March 31, 2025 holding 49% (March 31, 2024: 49%) of the equity stake and accounted for using the equity method. NeoBiocon has share capital solely consisting of equity shares, which are held directly by ownership interest in the same proportion of voting rights held.

Summarised balance sheet of NeoBiocon is as follows:

Particulars	March 31, 2025	March 31, 2024
Non-current assets	5	1
Current assets	70	379
Total assets	**75**	**380**
Non-current liabilities	-	18
Current liabilities	41	120
Total liabilties	**41**	**138**
Net assets	**34**	**242**
Percentage ownership interest	**49%**	**49%**
Accumulated Group's share of net assets	**-**	**-**

Summarised statement of profit and loss of NeoBiocon

Particulars	March 31, 2025	March 31, 2024
Revenue from operations	-	47
Profit/(Loss) for the year	(153)	(156)
Total comprehensive income	**(153)**	**(156)**
Share of Profit/(loss) from joint venture	-	(77)

(d) Interest in associate

Particulars	March 31, 2025	March 31, 2024
IATRICa Inc.- 4,285,714 (March 31, 2024 - 4,285,714) Series A Preferred Stock at US$ 0.70 each, par value US $ 0.00001 each	131	131
Less: Provision for decline, other than temporary, in the value of non-current investments	(131)	(131)
	-	-
Total investment in associate and joint venture (c+d)	-	-

40. Segment Reporting

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker ("CODM") evaluates the Group's performance based on an analysis of various performance indicators by business segments and geographic segments. Accordingly, information has been presented both along business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

April 1, 2024 to March 31, 2025

Particulars	Generics	Biosimilars	Research	Unallocated/ Eliminations	Total
Revenues					
External revenue	27,468	89,292	35,857	-	1,52,617
Inter-segment revenue	2,707	882	567	(4,156)	-
Total revenues	**30,175**	**90,174**	**36,424**	**(4,156)**	**1,52,617**
Costs					
Segment costs	(26,659)	(68,989)	(25,306)	-	(1,20,954)
Inter-segment costs	(547)	(2,183)	(700)	3,430	-
Results					
Other income including interest	796	11,275	718	(707)	12,082
Operating profit					**43,745**
Depreciation / Amortisation	(1,817)	(11,151)	(4,326)	424	(16,870)
Finance costs	(193)	(8,250)	(531)	-	(8,974)
Share of profit/(loss) of joint venture and associate	-	-	-	-	-
Segment results	**1,755**	**10,876**	**6,279**	**(1,009)**	**17,901**
Exceptional items, net	-	-	-	965	965
Income taxes - Current and deferred	-	-	-	(4,572)	(4,572)
Non-controlling interests	-	-	-	(4,161)	(4,161)
Profit after taxes attributable to shareholders					**10,133**
Other Information					
Segment assets	83,271	4,44,400	67,959	(7,657)	5,87,973
Total assets					**5,87,973**
Segment liabilities	31,004	2,39,121	20,691	20,032	3,10,848
Total liabilities					**3,10,848**

April 1, 2023 to March 31, 2024

Particulars	Generics	Biosimilars	Novels	Research	Unallocated/ Eliminations	Total
Revenues						
External revenue	25,001	88,183	-	34,373	-	1,47,557
Inter-segment revenue	2,984	59	-	513	(3,556)	-
Total revenues	**27,985**	**88,242**	-	**34,886**	**(3,556)**	**1,47,557**
Costs						
Segment costs	(24,832)	(65,669)	148	(24,217)		(1,14,570)
Inter-segment costs	(86)	(2,432)		(526)	3,044	-
Results						
Other income including interest	888	1,754	5,353	906	(246)	8,655
Operating profit						**41,642**
Depreciation / Amortisation	(1,568)	(10,297)	-	(4,258)	435	(15,688)
Finance costs	(6)	(8,641)	-	(472)	(625)	(9,744)
Share of profit of joint venture and associate	(77)		(765)		-	(842)
Segment results	**2,304**	**2,957**	**4,736**	**6,319**	**(948)**	**15,368**
Exceptional items, net	-	-	-	-	(116)	(116)
Income taxes - Current and deferred	-	-	-	-	(2,274)	(2,274)
Non-controlling interests	-	-	-	-	(2,753)	(2,753)
Profit after taxes attributable to shareholders						**10,225**
Other Information						
Segment assets	71,067	4,31,435	-	61,516	(3,311)	5,60,707
Total assets						**5,60,707**
Segment liabilities	19,757	2,57,344	-	18,939	11,919	3,07,959
Total liabilities						**3,07,959**

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40. Segment Reporting (continued)

Geographical segments

Revenue from operations	Year ended March 31, 2025	Year ended March 31, 2024
India	9,765	16,079
United States of America	70,423	64,550
European union (including Ireland)	38,481	35,169
Rest of the world	33,948	31,759
Total	**1,52,617**	**1,47,557**

Non-current assets	March 31, 2025	March 31, 2024
India	1,04,200	96,612
European union (including Ireland)	65,673	65,761
United Kingdom	1,99,731	1,97,217
Malaysia	31,934	27,664
Rest of the world	7,934	3,395
Total	**4,09,472**	**3,90,649**

Note: Non-current assets excludes financial assets, income tax and deferred tax assets.

Significant clients

There is no revenue from single customer which is more than 10 percent of the Group's total revenue for the year ended March 31, 2025 and March 31, 2024.

Segment revenue and results

The expenses that are not directly attributable and that can not be allocated to a business segment on a reasonable basis are shown as unallocated corporate expenses. Further, the Group has classified interest on loans raised by the Parent company and its wholly owned subsidiary to fund the business acquisition as unallocable corporate expenses.

Segment assets and liabilities

Segment assets include all operating assets used by the business segment and consist principally of fixed assets and current assets. Segment liabilities comprise of liabilities which can be directly allocated against the respective segments. Assets and liabilities that have not been allocated between segments are shown as part of unallocated corporate assets and liabilities respectively.

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41. Additional information, as required under Schedule III of the Act, of enterprises consolidated as subsidiary/associates/joint venture

Name of Entity	Net assets as at March 31, 2025		Share in profit or loss for the year ended March 31, 2025		Share in other comprehensive income for the year ended March 31, 2025		Share in total comprehensive income for the year ended March 31, 2025	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Holding Company								
Biocon Limited	18%	1,15,244	33%	6,093	9%	(124)	35%	5,969
Subsidiaries								
Indian								
Syngene International Limited	4%	23,894	13%	2,381	6%	(93)	13%	2,288
Syngene Scientific Solutions Limited	-	1,689	1%	244	-	(3)	1%	241
Syngene Manufacturing Solutions Limited	-	9	-	-	-	-	-	-
Biocon Pharma Limited	-	817	4%	823	-	(4)	5%	819
Biocon Biologics Limited	22%	1,44,702	35%	6,444	74%	(1,072)	31%	5,372
Biocon Biosphere Limited	-	(95)	-1%	(186)	11%	(155)	-2%	(341)
Biocon Academy	-	1	-	-	-	-	-	-
Foreign								
Biocon SA	1%	5,536	-	18	-	-	-	18
Biocon Sdn Bhd	-	(551)	2%	371	-	-	2%	371
Biocon Biologics UK Limited	18%	1,17,625	8%	1,413	-	-	8%	1,413
Biosimilars Newco Limited	18%	1,14,231	-22%	(4,117)	60%	(874)	-29%	(4,991)
Biosimilars Collaboration Ireland Limited	9%	55,758	-4%	(688)	-	-	-4%	(688)
Biocon Biologics Canada Inc.	-	93	-	67	-	-	-	67
Biocon Biologics Germany GmbH	-	136	1%	124	-	-	1%	124
Biocon Pharma Inc.	-	2,401	1%	115	-1%	16	1%	131
Biocon FZ LLC.	-	246	-	89	-	-	1%	89
Biocon Biologics Healthcare Malaysia SDN. BHD	-	(2)	-	(1)	-	-	-	(1)
Syngene USA Inc.	1%	4,438	-	38	-	-	-	38
Biocon Pharma UK Limited	-	99	-	10	-	-	-	10
Biocon Pharma Ireland Limited	-	6	-	(1)	-	-	-	(1)
Biocon Biologics Inc.	-	1,705	5%	975	-	-	6%	975
Biocon Biologics do Brasil Ltda.	-	73	-	(14)	-	-	-	(14)
Biocon Biologics FZ-LLC	-	103	-	10	-	-	-	10
Biocon Biologics France S.A.S	-	134	-	81	-	-	-	81
Biocon Biologics Spain, S.L.	-	16	-	15	-	-	-	15
Biocon Biologics Switzerland AG	-	11	-	8	-	-	-	8
Biocon Biologics Belgium BV	-	12	-	9	-	-	-	9
Biocon Biologics Finland OY	-	5	-	4	-	-	-	4
Biocon Generics Inc.	-	648	-	(53)	-4%	59	-	6
Biocon Biologics Morocco S.A.R.L.A.U	-	59	-	16	-	-	-	16
Biocon Biologics Greece SINGLE MEMBER P.C	-	17	-	13	-	-	-	13
Biocon Biologics South Africa (PTY) Ltd	-	2	-	2	-	-	-	2
Biocon Biologics (Thailand) Co. Ltd	-	63	-	1	-	-	-	1
Biocon Biologics Philippines Inc	-	21	-	4	-	-	-	4
Biocon Biologics Italy S.R.L	-	3	-	2	-	-	-	2
Biocon Biologics Croatia LLC	-	2	-	2	-	-	-	2
Biocon Biologics Global PLC	-	104	1%	102	-	-	1%	102
Biocon Pharma Malta Limited	-	(4)	-	-	-	-	-	-
Biocon Pharma Malta I Limited	-	-	-	4	-	-	-	4

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Joint venture								
Foreign								
NeoBiocon FZ LLC.	-	-	-	-	-	-	-	-
Associates								
Foreign								
IATRICa Inc., USA	-	-	-	-	-	-	-	-
Non-controlling interest	9%	60,685	22%	4,161	-55%	804	30%	4,965
Gross Total	**100%**	**6,49,936**	**100%**	**18,579**	**100%**	**(1,446)**	**100%**	**17,133**
Adjustment arising on consolidation		(3,72,811)		(4,285)		5,813		1,528
Total		**2,77,125**		**14,294**		**4,367**		**18,661**

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41. Additional information, as required under Schedule III of the Act, of enterprises consolidated as subsidiary/associates/joint venture (continued)

Name of Entity	Net assets as at March 31, 2024		Share in profit or loss for the year ended March 31, 2024		Share in other comprehensive income for the year ended March 31, 2024		Share in total comprehensive income for the year ended March 31, 2024	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Holding Company								
Biocon Limited	18%	1,09,123	14%	1,193	0%	(7)	11%	1,186
Subsidiaries								
Indian								
Syngene International Limited	4%	22,475	28%	2,364	35%	788	30%	3,152
Syngene Scientific Solutions Limited	-	1,450	5%	396	-	(5)	4%	391
Syngene Manufacturing Solutions Limited	-	9	-	-	-	-	-	-
Biocon Pharma Limited	-	(14)	4%	348	1%	30	4%	378
Biocon Biologics Limited	23%	1,38,789	38%	3,231	-16%	(355)	27%	2,876
Biocon Biosphere Limited	-	256	-	(18)	-1%	(22)	-	(40)
Biocon Academy	-	-	-	-	-	-		-
Foreign								
Biocon SA	1%	6,648	16%	1,311	-	-	12%	1,311
Biocon Sdn Bhd	-	(1,495)	-21%	(1,786)	-	-	-17%	(1,786)
Biocon Biologics UK Limited	18%	1,07,971	57%	4,788	-	-	45%	4,788
Biosimilars Newco Limited	19%	1,12,258	-33%	(2,746)	28%	638	-20%	(2,108)
Biosimilars Collaboration Ireland Limited	8%	46,737	-42%	(3,546)	-	-	-33%	(3,546)
Biocon Biologics Canada Inc.	-	29	-	29	-	-	-	29
Biocon Biologics Germany GmbH	-	12	-	9	-	-	-	9
Biocon Pharma Inc.	-	2,215	3%	222	-	-	2%	222
Biocon FZ LLC.	-	153	1%	53	-	-	-	53
Biocon Biologics Healthcare Malaysia SDN. BHD	-	(1)	-	-	-	-	-	-
Syngene USA Inc.	-	127	-	40	-	-	-	40
Biocon Pharma UK Limited	-	83	-	(9)	-	-	-	(9)
Biocon Pharma Ireland Limited	-	7	-	(17)	-	-	-	(17)
Biocon Biologics Inc.	-	681	7%	623	-	-	6%	623
Biocon Biologics do Brasil Ltda.	-	85	-	4	-	-	-	4
Biocon Biologics FZ-LLC	-	91	-	7	-	-	-	7
Biocon Biologics France S.A.S	-	32	-	31	-	-	-	31
Biocon Biologics Spain, S.L.	-	3	-	4	-	-	-	4
Biocon Biologics Switzerland AG	-	5	-	1	-	-	-	1
Biocon Biologics Belgium BV	-	4	-	2	-	-	-	2
Biocon Biologics Finland OY	-	1	-	1	-	-	-	1
Biocon Generics Inc.	-	625	-	-	-	-	-	-
Biocon Biologics Morocco S.A.R.L.A.U	-	1	-	1	-	-	-	1
Biocon Biologics Greece SINGLE MEMBER P.C	-	3	-	3	-	-	-	3
Biocon Biologics South Africa (PTY) Ltd	-	-	-	-	-	-	-	-
Biocon Biologics (Thailand) Co. Ltd	-	(1)	-	(1)	-	-	-	(1)
Biocon Biologics Philippines Inc	-	17	-	-	-	-	-	-
Biocon Biologics Italy S.R.L	-	1	-	-	-	-	-	-
Biocon Biologics Croatia LLC	-	-	-	-	-	-	-	-
Biocon Pharma Malta Limited	-	(3)	-	-	-	-	-	-
Biocon Pharma Malta I Limited	-	(3)	-	(3)	-	-	-	(3)

Joint venture								
Foreign								
NeoBiocon FZ LLC.	-	-	-1%	(77)	-	-	-	(77)
Associates								
Foreign								
IATRICa Inc., USA	-	-	-	-	-	-	-	-
Bicara Therapeutics Inc.	-	-	-9%	(765)		-	-7%	(765)
Non-controlling interest	9%	54,911	33%	2,753	53%	1,179	37%	3,932
Gross Total	**100%**	**6,03,285**	**100%**	**8,446**	**100%**	**2,246**	**100%**	**10,692**
Adjustment arising on consolidation		(3,50,537)		4,532		1,621		6,153
Total		**2,52,748**		**12,978**		**3,867**		**16,845**

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42A. Acquisition through Slump Sale:

On 04 July 2023, Board of Directors of Syngene entered into a binding term sheet for acquiring Unit 3 biologics manufacturing facility in Bangalore, India, from Stelis Biopharma Limited (SBL). The unit has been acquired effective 01 December 2023 on a slump sale basis at a total cash consideraion of Rs. 5,632.

The acquisition will add 20,000 litres of installed biologics drug substance manufacturing capacity for Syngene. The site has the potential for future expansion of up to a further 20,000 litres of biologics drug substance manufacturing capacity. It also includes a commercial scale, high speed, fill-finish unit – an essential capability for drug product manufacturing.

The Group has carried out a preliminary purchase price allocation between tangible assets and other balances taken over to assess the fair value as on the acquisition date and accordingly recorded a capital reserve of Rs 39.

The following table summarises major class of the assets and liabilities taken over:

Particulars	
Property, plant and equipment	6,207
Other assets	104
Capital creditors	(638)
Other liabilities	(2)
Value of business taken over (A)	**5,671**
Purchase consideraion (B)	5,632
Capital reserve (C=B-A)	**(39)**

42B. Acquisition through Slump Sale:

During the year ended March 31, 2025, Syngene USA Inc. (wholly-owned subsidiary of Syngene) has acquired biologics site In the USA fitted with multiple monoclonal antibody (mAbs) manufacturing lines from Emergent Manufacturing Operations Baltimore, LLC (a subsidiary of Emergent BioSolutions Inc.). The transaction has been accounted for as an 'asset acquisition' under Ind AS 103.

The costs incurred till March 31, 2025, eligible for capitalization are being accumulated as Capital Work In Progress amounting to Rs. 2,981. An amount of Rs. 311 has been capitalized as Land. These amounts include pre-transaction costs of Rs. 101.

42C. During the year ended March 31, 2024, BBL 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 BBL 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.

43 Goodwill

Goodwill arising upon business combination is not amortized but tested for impairment annually or more frequently if there is any indication that the cash generating unit to which goodwill is allocated is impaired.

Particulars	**March 31, 2025**	**March 31, 2024**
Opening Balance	1,63,460	1,61,098
Goodwill arising on business combination	-	69
Other adjustments		
- Foreign currency translation adjustment	4,133	2,293
Closing Balance	**1,67,593**	**1,63,460**

For the purposes of impairment assessment, the Group is considered as single Cash generating unit. The recoverable amount of the above cash generating units have been determined using a value-in-use model. Value-in-use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit. Initially, a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows. Key assumptions upon which the Group has based its determinations of value-in-use include:

a) Estimated cash flows for ten years, based on management's projections.
b) A terminal value arrived at by extrapolating the last forecasted year cash flows to perpetuity, using growth rate ranging from 1% to 3%. This long-term growth rate takes into consideration external macroeconomic sources of data. Such long-term growth rate considered does not exceed that of the relevant business and industry sector.
c) The post tax discount rate used is 14% based on the BBL's weighted average cost of capital.
The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

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44. Other notes

Bicara Therapeutics Inc, (Bicara), U.S., is a clinical-stage biotechnology company developing dual-action biologics designed to spur a potent and durable immune response in the tumor microenvironment. Bicara is actively engaged in advancing a robust pipeline of first-in-class bifunctional antibodies being developed by a global team.

During the year ended March 31, 2024, pursuant to fund raise by Bicara, the Group's interest in Bicara was diluted thereby resulting in loss of significant influence over the investee. Consequently, the Group fair valued its investment resulting in a gain of Rs. 4,254 in the consolidated financial statements, and was disclosed under 'Other income'.

Prior to the Series C financing, the Group accounted for its investments in Bicara using the equity method as it had significant influence. Consequently, the Group recorded dilution gain of Rs. 1,053 for the year ended March 31, 2024, disclosed under 'Other income' in the consolidated financial statements.

During the year ended March 31, 2025, the Group has recorded a fair value gain of Rs. 272, within "Other Comprehensive Income" in the consolidated financial statements.

45. 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 Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries).

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

46. Other statutory information

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

(ii) The Group does not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

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

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

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

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47 (a) The Board of Directors of the Company, at their meeting held on May 16, 2024, had proposed a final dividend of Rs. 0.5 per equity share of face value of Rs. 5/- each. The same was approved by the shareholders in the Annual General Meeting of the Company and has been distributed to the shareholders of the Company during the year ended March 31, 2025.

47 (b). On April 24, 2024, the Board of Directors of Syngene recommended a final dividend of Rs. 1.25 per equity share of Rs. 10/-. The share holders of Syngene approved the dividend in the Annual General Meeting of Syngene held on July 24, 2024 and was subsequently paid.

48. Events after reporting period

a. On April 23, 2025, the Board of Directors of Syngene have approved an allotment of 402,439 equity shares of Rs. 10/- {Rupees Ten each) of Syngene to Syngene Employees Welfare Trust at face value.

b. On April 23, 2025, the Board of Directors of Syngene recommended a final dividend of Rs. 1.25 per equity share of Rs. 10/-. The proposed dividend is subject to the approval of the shareholders of Syngene in its Annual General Meeting.

c. On May 08, 2025, the Board of Directors of the Company recommended a final dividend of Rs. 0.50 per equity share of Rs. 5/-.each amounting to Rs. 600. The proposed dividend is subject to the approval of the shareholders of the Company in its Annual General Meeting.

d. The Board of Directors at its meeting held on April 23, 2025, has approved raising of funds by the Company by way of issuance of any instrument or securities for an aggregate amount of upto Rs 45,000, in one or more tranches to meet certain financial commitments and / or debt obligations of the Company and its subsidiary, Biocon Biologics Limited and/ or for other purposes as determined by the Board.

As per our report of even date attached

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

Sudhir Soni
Partner
Membership No.: 041870

Mumbai
May 08, 2025

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

Kiran Mazumdar-Shaw
Executive Chairperson
DIN: 00347229

Siddharth Mittal
Managing Director & CEO
DIN: 03230757

Mukesh Kamath
Interim Chief Financial Officer

Bengaluru
May 08, 2025

BIOCON LIMITED BANGALORE

OUR BUSINESS

Please read "Presentation of Financial and Other Information – Financial data and other Information" on page 13 before reading this section. This section should also be read together with "Risk Factors", "Industry Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Selected Financial Information" and "Financial Information" on pages 51, 388, 359, 44 and 99, respectively. This section contains forward-looking statements. Actual results of our Company and our Subsidiaries may differ materially from those expressed in or implied by these forward-looking statements. See "Forward-Looking Statements" on page 17 for a discussion of the risks and uncertainties related to those statements and "Risk Factors" on page 51 for a discussion of certain factors that may affect our business, financial condition, results of operations or cash flows.

Unless stated or the context requires otherwise, all financial information is presented on a consolidated basis, and such financial information contained in this Preliminary Placement Document as at and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 are derived from the Audited Consolidated Financial Statements.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Independent Market Research Report on Global Pharmaceutical, Active Ingredients, and Contract Service Market" dated June 2025 ("**F&S Report**") prepared and issued by Frost & Sullivan, appointed by us and exclusively commissioned and paid for by us in connection with the Issue. Frost & Sullivan has used various primary and secondary sources including government sources as well as international agencies to prepare the report. The data included herein includes excerpts from the F&S Report and may have been re-ordered by us for the purposes of presentation. Unless otherwise indicated, financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

References to "we", "us" or "our" in this section refers to our Company and our Subsidiaries on a consolidated basis.

OVERVIEW

Established in 1978, we are currently one of the leading global biopharmaceuticals companies based in India and have been at the forefront of providing quality and affordable medicines to patients globally across 120 countries (*Source: F&S Report*). Our global footprint spans through 11 manufacturing locations, five R&D facilities and 18 offices located across India, Malaysia, Thailand, the Philippines, UAE, Brazil, United States, Canada, the United Kingdom and various European countries such as Switzerland, Greece, France, Spain, Malta, Morocco, among others, on a consolidated basis as of March 31, 2025. We have also fostered a culture of innovation and invested strategically in research and development ("**R&D**") to develop strong end-to-end R&D capabilities by incorporating cutting-edge science and technology to build a diversified portfolio, which have brought us credibility as an innovation-led organization focused on providing affordable healthcare. Our end-to-end in-house R&D expertise spans drug discovery, preclinical and clinical research, and chemistry, manufacturing and controls ("**CMC**"), enabling us to navigate the entire value chain effectively.

We are amongst the world's top 15 companies in terms of biomanufacturing capacity in 2024 and among the top five biosimilars player in terms of revenue globally for Fiscal 2025 (*Source: F&S Report*) and ranked 9th among the top global biotech and biopharmaceuticals companies (based on 2024 rankings by Science Magazine).

We classify our business into three broad business segments: (i) Biosimilars, operated through our subsidiary Biocon Biologics Limited, (ii) Generics, operated through Biocon Limited, and (iii) Research, operated through our subsidiary Syngene International. Our three segments together create an end-to-end from-pipeline-to-production and from-discovery-to-commercial supplies, creating a multiplier effect on our business across the three segments. The following shows the total revenues from our three business segments for the years indicated:

Segment	Fiscal year ended March 31,					
	2025		2024		2023	
	(Rs. in millions)	*(%)*	*(Rs. in millions)*	*(%)*	*(Rs. in millions)*	*(%)*
Biosimilars	90,174	57.52%	88,242	58.39%	55,838	48.30%
Research	36,424	23.23%	34,886	23.09%	31,929	27.62%
Generics	30,175	19.25%	27,985	18.52%	27,644	23.91%
Novels*	-	-	-	-	192	0.17%
Inter segment revenue	(4,156)	-	(3,556)	-	(3,861)	-
Revenue from operations	152,617	100.00%	147,557	100.00%	111,742	100.00%
** Since December 2023, we have discontinued our business in relation to Novels.*						

For further information of our organisational structure, please see "*Organisational Structure"* on page 424.

Biosimilars

Our Biosimilars segment is housed in our subsidiary Biocon Biologics Limited ("**Biocon Biologics**"). Biocon Biologics is a fully vertically integrated global biosimilars player with a demonstrated track record of success across the entire value chain from R&D to manufacturing and ultimately, to the pricing, marketing, promoting, selling and distribution (collectively, "**Commercialization**") of biosimilars globally. Our focus has been on the diabetes, immunology, and oncology therapeutic areas, which are areas that dominate the global pharmaceutical market in terms of market share (*Source F&S Report*). We are also aiming to expand our offering to include products in ophthalmology and bone health. In 2022, Biologics acquired the biosimilars business of our long-standing partner Viatris Inc. ("**Viatris**") and following the successful integration of the acquired business, our footprint spans over 120 countries and now has a direct, on-the-ground global commercial presence in 29 self-led markets, which include the U.S., Canada, European countries, including the top five European markets (Germany, France, UK, Spain, Italy), and eight other emerging market countries, as of March 31, 2025.

Biosimilars have rapidly emerged as a key component of the global biologics market, offering cost-effective alternatives to high-priced originator therapies across a broadening range of indications (*Source: F&S Report*). By providing comparable efficacy and safety, biosimilars are unlocking access to critical biologics for a wider patient population while introducing much-needed competition (*Source: F&S Report*). Biosimilars represent a growing opportunity with the market projected to grow at a CAGR of 24.0% from 2024 to 2029, reaching US$67 billion (₹5,745 billion) by 2029 (*Source: F&S Report*). Between 2024 and 2032, over 50 biologics are expected to lose patent protection and exclusivity, representing an opportunity of approximately US$260 billion (₹22 trillion) (*Source: F&S Report*).

Biocon Biologics is among the top five global biosimilars players by revenue globally as of Fiscal 2025, and emerged in 2024 as the third-largest supplier by biologic volume of both rh-Insulin and insulin glargine U100 worldwide (*Source: F&S Report*). Biocon Biologics has consistently focused on early entry across key markets, allowing us to achieve many "firsts" in the biosimilars industry (*Source: F&S Report*). This includes becoming the first company to get approval from the U.S. FDA for bTrastuzumab in 2017 (which made us to be the first Indian company to secure a biosimilar approval from the U.S. FDA), for bPegfilgrastim in 2018, for interchangeable bGlargine in 2021 and for interchangeable bAflibercept in 2024 (*Source: F&S Report*). As of May 2025, Biocon Biologics boasts one of the largest biosimilar pipelines with 10 products in various stages of development that addresses more than a US$130 billion (₹11 trillion) in market opportunity, in comparison to an industry average of around three products (*Source: F&S Report*).

Biocon Biologics operates through three manufacturing sites located in Johor (Malaysia) and Bengaluru (Karnataka), and it ranks among the world's top 15 companies in terms of biomanufacturing capacity in 2024 (*Source: F&S Report*). We have invested over US$1 billion (which is equivalent to ₹85,480 million) in research and development and approximately US$900 million (which is equivalent to ₹76,932 million) in building our manufacturing sites in India and Malaysia. Our site in Johor (Malaysia) is one of Asia's largest integrated insulin facilities that manufactures drug substances and drug products in vials, cartridges and insulin delivery devices. Furthermore, as of March 31, 2025, Biocon Biologics operated two R&D centres in India, and has more than 300 active patents and 380 scientists working in these centers.

Biocon Biologics aims to play an increasing role in shaping policies on biosimilars through participation and engagement with a number of forums, including, but not limited to, Association for Accessible Medicines, Biosimilars Forum (US), Medicines for Europe, US-India Chamber of Commerce and the Indian Pharmaceutical Alliance.

Generics

Our Generics business, which started with a fermentation-based, cholesterol lowering statin active pharmaceutical ingredient ("**API**"), currently comprises a growing portfolio of APIs as well as finished dosages. Currently, we have an API manufacturing capacity of 900MT and a formulations capacity of 880 million oral solid dosages, and we

manufacture and serve the global demand for statin and immunosuppressant, among other products in our portfolio. We entered into generic formulations in 2013 with a strategy to forward integrate our in-house, complex and differentiated APIs and move up the value chain, further improving the reliability, quality and supply to customers and patients, having received more than 125 "Current Good Manufacturing Practice" ("**cGMP**") approvals from various international regulatory bodies as of March 31, 2025. We are now one of the key global suppliers of statin (therapeutic category: cardiovascular drugs) and immunosuppressant (therapeutic category: transplantation) APIs (*Source: F&S Report*).

As of March 31, 2025, we have built our Generic formulations portfolio that comprised more than 80 products and API pipeline comprised more than 75 products, spanning cardiovascular, anti-diabetics, obesity, immunosuppressants and specialty molecules. Across our portfolio of launched and pipeline generic products, 18 of these formulations correspond to the top 100 generic molecules globally by sales, and 17 are classified as blockbuster products, each exceeding US$1 billion (₹86 billion) in annual sales (*Source: F&S Report*). We received approval for our gLiraglutide glucagon-like peptide-1 receptor agonist ("**GLP-1**") in the UK in April 2024, we became one of the first companies to obtain approval for a generic GLP-1 Liraglutide medicine in the United Kingdom (*Source: F&S Report*). GLP-1s are among one of the fast-growing segments in the global pharmaceutical market with global sales expected to rise from US$11 billion (₹963 billion) in 2019 to US$144 billion (₹12,392 billion) by 2029 (*Source: F&S Report*), and we are an early mover in the space.

Our global commercial strategy for our Generics business involves direct selling, licensing and partnerships for market expansion. We have a wide presence in the U.S. with end-to-end control over APIs and Generic formulations. In Europe, we have adopted a dual strategy, with direct presence in key markets and strategic partnerships for wider market coverage. In emerging markets such as Latin America, Middle East, North Africa and Asia, we mainly leverage a collaborative business-to-business model. Six of our sites serve our Generics segment and had a combined API manufacturing capacity of 900MT and a formulations capacity of 880 million oral solid dosages, as of March 31, 2025, allowing us to serve the global demand for statin and immunosuppressant, among other products in our portfolio.

Research

We provide research services principally through our subsidiary Syngene International Limited ("**Syngene**"). Syngene is a one-stop Contract Research, Development, and Manufacturing Organization ("**CRDMO**") platform that offers a broad range of scientific services from the earliest stages of discovery to commercial supplies. Although its primary focus is on the pharmaceutical sector, Syngene also collaborates with companies in nutrition, animal health, consumer products, and specialty chemicals. Syngene provides end-to-end services as a Contract Research Organization ("**CRO**") and Contract Development and Manufacturing Organization ("**CDMO**") for large and small molecules. Syngene offers different collaboration models ranging from long-term relationships with dedicated R&D facilities to Full-Time Equivalent ("**FTE**") and Fee-for-Service ("**FFS**") arrangements.

As of March 31, 2025, Syngene had a team of more than 5,600 scientists, catering to around 400 active clients, including 14 of the top 20 pharmaceutical companies in terms of sales (*Source: F&S Report*). The number of active clients group under Syngene is approximately 400 in Fiscal 2025, which has increased by more than 50% as compared to Fiscal 2016.

Syngene exemplifies a model of integrated, scalable, and globally compliant service in the research services industry with an installed bioreactor capacity of over 50KL as of March 31, 2025, being one of the most-scaled in India (*Source: F&S Report*). Syngene has dedicated research facilities for marquee clients along with more than 2.5 million square feet of specialist discovery, development and manufacturing sites located in Bengaluru (Karnataka), Mangaluru (Karnataka), Hyderabad (Telangana), along with international presence through the recently acquired biologics facility located in Baltimore (United States of America). Syngene's multi-functional infrastructure facilities with a global footprint provide for a mix of on-shore and off-shore presence with a track record of regulatory compliance, supported by approvals from key global health authorities.

COMPETITIVE STRENGTHS

The following are our key strengths that enable us to compete in our principal markets:

One of the leading global biopharmaceutical player companies with many industry "firsts" across businesses

We started in the Biosimilars business in the early 2000s and in 2019, spun out our Biosimilars segment as our subsidiary under Biocon Biologics Limited. As an early entrant in the biosimilars industry, we enjoy an advantage over our competitors as a result of the high barriers of entry due to the expertise and R&D required for this industry and the manufacturing investments required to develop and secure approvals for biosimilars companies. We are among the top five global biosimilars players by revenue globally as of Fiscal 2025, and emerged in 2024 as the third-largest supplier by biologic volume of both rh-Insulin and insulin glargine U100 worldwide (*Source: F&S Report*).

In the course of our business, we have consistently focused on early entry across key markets, allowing us to achieve many "firsts" in the biosimilars industry, including (*Source: F&S Report*):

Calendar Year	Product
2004	First company globally to develop and commercialize bHuman Insulin.
2014	Launched the world's first biosimilar bTrastuzumab in India.
2016	The first company from India to have a biosimilar approved in Japan.
2017-2024	The first company to get approval from the U.S. FDA for bTrastuzumab in 2017, for bPegfilgrastim in 2018, for interchangeable bGlargine in 2021 and for interchangeable bAflibercept in 2024.
2024	Receipt of one of the first approvals for a generic GLP-1 Liraglutide medicine in the United Kingdom.

In 2022, we acquired the biosimilars business of our long-standing partner, Viatris, to create a fully integrated player with end-to-end capabilities. This allowed us to further expand our global reach, increasing our business footprint to more than 120 countries as of March 31, 2025. As of March 31, 2025, we had a comprehensive portfolio of 20 biosimilars, with applications across a diverse array of specialties including immunology, oncology, diabetes, ophthalmology and bone health, with 10 approved products in global markets and 10 more products in the pipeline, addressing more than a US$130 billion (₹11 trillion) in market opportunity (*Source: F&S Report*). Among our biosimilar products, four of them have revenues averaging over US$200 million in Fiscal 2025 (which is equivalent to ₹17,116 million), with further potential for growth. Through the acquisition of Viatris' biosimilars business, we have emerged as one the few companies in the biosimilars industry with laboratory to market capabilities and a combination of both in-house developed Monoclonal Antibodies ("**mAbs**") and insulins.

In our Generics business, we have received approvals for our GLP-1 Liraglutide in the UK in April 2024, making us one of the first companies to obtain approval for a generic GLP-1 medicine in the United Kingdom (*Source: F&S Report*). As of March 31, 2025, our Generic formulations portfolio comprised more than 80 products and API pipeline comprised more than 75 products, spanning cardiovascular, anti-diabetics, obesity, immunosuppressants and specialty molecules. Across our portfolio of launched and pipeline generic products, 18 of these formulations correspond to the top 100 generic molecules globally by sales, and 17 are classified as blockbuster products, each exceeding US$1 billion (₹86 billion) in annual sales (*Source: F&S Report*).

In our Research business, through our listed subsidiary, Syngene International, we are one of the most scaled CRDMO players in India (*Source: F&S Report*), with a three-pronged strategy across diversified platforms encompassing research services, large molecule CDMO services and small molecule CDMO services. It is a one-stop integrated, scalable, globally compliant platform for integrated drug discovery, development and manufacturing across modalities with an installed bioreactor capacity of over 50KL as of March 31, 2025, being one of the most-scaled in India (*Source: F&S Report*).

Furthermore, our Group Center of Excellence for Operational Excellence ("**Group CoE**") plays a pivotal role in driving consistent performance, innovation, and cultural transformation across our manufacturing value chain. Serving as a strategic enabler, the Group CoE supports assessments of routine operations while also pioneering breakthrough technologies that enhance quality systems, digital transformation and end-to-end operational efficiency. In Fiscal Year 2025, the Group CoE anchored enterprise-wide initiatives, ranging from Lean Six Sigma and 5S implementation to structured policy deployment and daily work management, creating a foundation for scalable excellence.

Comprehensive product portfolio and strong pipeline in strategically-focused therapeutic areas in the Biosimilars and Generics segments, including GLP-1, and an established presence across the complex fermentation value chain

With decades of experience, we have developed significant expertise in fermentation technology, large scale chromatography and synthetic chemistry. We have also expanded our product portfolio beyond fermentation and synthetic molecules to include peptides and high potent APIs. We have a broad and balanced portfolio of APIs across multiple segments, enabling us to address diverse therapeutic areas and meet unmet medical needs effectively. Our Generics and Biosimilars segments had collectively received more than 215 cGMP approvals from various international regulatory bodies and collectively had global reach in more than 120 countries including the U.S., Europe and emerging markets, as of March 31, 2025.

Nine of the biosimilars in our portfolio, including insulins and mAbs, have been commercialized globally, benefiting patients around the world. We also emerged in 2024 as the third-largest supplier by biologic volume of both rh-Insulin and insulin glargine U100 worldwide (*Source: F&S Report*). In addition to our existing product portfolio, we have a strong pipeline of late-stage and early-stage products in our Biosimilars segment, in strategically important therapeutic areas such as oncology, immunology and diabetes that have substantial commercial opportunities for biosimilars. These capabilities and focus have seen us successfully commercialize nine biosimilar globally, as at March 31, 2025. With the completion of the acquisition of Viatris' biosimilar business in 2022, our existing product portfolio and pipeline of products, we believe we are well positioned to capitalize on the growing market for Biosimilars globally.

In relation to our Generics business, our API business comprises a balanced pipeline of more than 75 products covering therapeutic areas like cardiovascular, anti-diabetics, weight management, immunosuppressants, oncology, neurology and a few specialty and niche molecules. We leverage our strengths in R&D and manufacturing technology platforms, especially fermentation, to develop complex and differentiated APIs. We serve the global demand for statins &

immunosuppressant APIs. While our longstanding strengths lie in fermentation technology, large-scale chromatography, and synthetic chemistry, we have worked continuously to expand our capabilities further. This includes building a broad portfolio encompassing high potent APIs ("**HPAPIs**") and peptides especially GLP-1s, targeting diabetes and obesity. Peptides, particularly GLP-1s, is a key area of focus for us. The approval for our GLP-1 Liraglutide in the UK in April 2024 would allow us to capitalize on one of the fast-growing segments in the global pharmaceutical market with global sales expected to rise from US$11 billion (₹963 billion) in 2019 to US$144 billion (₹12,392 billion) by 2029 and a 21.7% CAGR expected increase in market size from 2024 to 2029 (*Source: F&S Report*).

One of the most scaled integrated Indian Contract Research, Development, and Manufacturing Organizations ("CRDMOs") in terms of biologics manufacturing capacity as of March 31, 2025, with long-standing relationship with a diverse base of existing and new customers

We, through Syngene, provide end-to-end services as a CRO and CDMO for large and small molecules. We offer different collaboration models ranging from long-term relationships with dedicated R&D facilities to FTE and FFS arrangements. Syngene is one of the most scaled integrated Indian CRDMO in terms of biologics manufacturing capacity as of March 31, 2025 (*Source: F&S Report*).

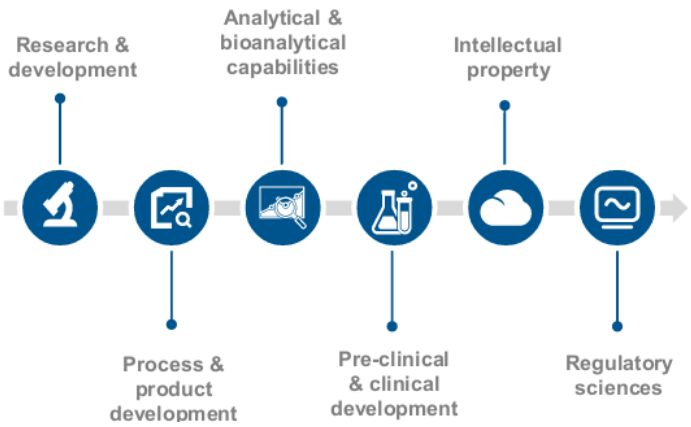
In the small molecule segment, we provide preclinical development, API development, drug product development, and clinical and commercial supply manufacturing. We also support our broad customer base with drug filings with the U.S. FDA, EMA (Europe), PMDA (Japan) and other regulatory authorities. Our small molecule commercial manufacturing facility in Mangalore is U.S. FDA approved, allowing us to serve our customers in the small molecule segment.

In the large molecule segment, we offer biologics development and manufacturing services to our customers with capabilities covering a range of platforms and products, such as monoclonal antibodies, bispecifics, recombinant proteins, mRNA, and microbiome Live Biotherapeutic Products ("**LBPs**"). The biologics manufacturing facilities are equipped with single-use technologies and designed for multi-product campaigns, including support for long-term commercial production. This is designed to support clients during long-term commercial manufacturing campaigns.

We continue to expand our operational capacity and reach through acquisitions such as Unit - 3 in Bangalore (Karnataka) and the facility in Baltimore (Maryland, United States of America). This expansion ensures supply continuity across our integrated manufacturing sites in India and North America, supporting clinical and commercial programs in both human and animal health. As a result of the above, we possess the technical depth and requisite infrastructure required to serve both early-stage innovators and mature pharmaceutical companies (*Source: F&S Report*). The combination of scale, scientific talent and regulatory preparedness positions us as strategic beneficiaries of the shifting dynamics in global outsourcing (*Source: F&S Report*), and further allows us to be the partner of choice for our customer base.

R&D capabilities backed by cutting-edge science and technology

We have fostered a culture of innovation and invested strategically in R&D to develop strong end-to-end R&D capabilities by incorporating cutting-edge science and technology to build a diversified portfolio of Biosimilars and Generics, which have brought us credibility as an innovation-led organization focused on providing affordable healthcare. For example, we were the first to develop, manufacture, and launch novel biologics in India, namely an anti-EGFR mAb (Nimotuzumab) for head and neck cancer in 2006 and an anti-CD6 monoclonal antibody (Itolizumab) for psoriasis in 2013 (*Source: F&S Report*). The range of our R&D capabilities in our Generics and Biosimilars segments is as below:



Our R&D capabilities in our Research segment are showcased by Syngene to include early-stage research from target identification to delivery of drug candidates for further development. Our end-to-end in-house R&D expertise spans drug discovery, preclinical and clinical research, and chemistry, manufacturing and controls ("**CMC**"), enabling us to navigate the entire value chain effectively. As of March 31, 2025, Syngene had a team of more than 5,600 scientists, catering to around 400 clients including 14 of the top 20 pharmaceutical companies in terms of sales (*Source: F&S Report*). The

number of active clients group under Syngene is approximately 400 in Fiscal 2025, which has increased by more than 50% as compared to Fiscal 2016. It also has dedicated research facilities for marquee clients along with more than 2.5 million square feet of specialist discovery, development and manufacturing sites in India.

On a consolidated basis, we had five R&D centres across our three business segments in India with three centres located in Bengaluru (Karnataka) and one each in Chennai (Tamil Nadu) and Hyderabad (Telangana) as of March 31, 2025. Our R&D efforts have led to more than 1,500 patents as of March 31, 2025. We have also achieved several firsts in the global biosimilars and generics space, for example, we were the first company to receive bTrastuzumab, bPegfilgrastim, interchangeable bAflibercept and interchangeable bGlargine approvals in the U.S (*Source: F&S Report*). We have further received approvals for our GLP-1 Liraglutide in the UK in April 2024, making us one of the first companies to obtain approval for a generic GLP-1 medicine in the United Kingdom (*Source: F&S Report*).

We have invested over US$1 billion (which is equivalent to ₹85,480 million) in particularly biosimilar research and aim to continue to invest significantly in our R&D capabilities to ensure a strong pipeline of candidate products, especially in strategically focused therapeutic areas, including oncology, immunology and diabetes and across multiple platforms. Our net research and development expenses were ₹8,585 million, which represented 7.13% of our revenue from operations in Fiscal 2025 (excluding revenue from operations of the Research business segment).

Furthermore, we had incubated Bicara Therapeutics ("**Bicara**"), a clinical-stage biopharmaceutical company committed to bringing transformative bifunctional therapies to patients with solid tumors. Bicara's lead program is ficerafusp alfa, a bifunctional antibody. As of the date of this Preliminary Placement Document, we hold a 10.1% stake in Bicara. Bicara has been listed in NASDAQ since September 2024.

Scaled manufacturing facilities with a consistent regulatory compliance track record

As of March 31, 2025, we had 11 manufacturing locations across our three business segments with four locations in Bengaluru (Karnataka), two locations in Visakhapatnam (Andhra Pradesh), and one each in Hyderabad (Telangana), Mangaluru (Karnataka), Cranbury (New Jersey, United States of America), Baltimore (Maryland, United States of America) and Johor (Malaysia).

Biocon Biologics' facilities are located at three sites, i.e. two in Bengaluru (Karnataka) and one in Johor (Malaysia),and these had a combined drug substance capacity of more than 300KL for drugs and more than 100 million units of drug products (across vials, cartridges, pens and pre-filled syringes)as of March 31, 2025, placing it among the world's top 15 companies in terms of biomanufacturing capacity in 2024 and among the leading insulin producers worldwide (*Source: F&S Report*). Our site in Johor (Malaysia) is one of Asia's largest integrated insulin facilities that manufactures drug substances and drug products in vials, cartridges and insulin delivery services.

We have built internationally compliant, global-scale manufacturing capabilities that produce small and large molecule therapeutic products to meet global healthcare needs reliably and efficiently. We use our long-standing expertise in fermentation and recombinant DNA technology and in differentiated technology platforms to manufacture complex small molecule APIs, generic formulations, biosimilars and novel biologics.

We leverage vertical integration, process optimization, lean manufacturing principles, and data analytics to boost productivity, reduce cycle times, and optimize resource allocation. Through digitalizing our operations, we have improved data management practices, increased use of automation in various processes and converted from paper to digital records, all which has facilitated cost advantages and given us a competitive edge, enabling us to multiply the positive impact by providing quality products at price points that are affordable and consequently accessible to patients.

We have established quality management systems, adhere to cGMP, and embed control measures in every stage of our manufacturing process to ensure compliance with all applicable laws and regulations in our manufacturing activities. As a result, our manufacturing sites are also qualified by and have obtained certifications from respective regulatory agencies in both advanced and emerging markets, including the U.S. FDA, the EMA (Europe), PMDA (Japan), Health Canada, TGA (Australia), COFEPRIS (Mexico), ANVISA (Brazil) and NPRA (Malaysia), to name a few. For further information on such qualifications and certifications, please see "*Business—Research and Development—Quality Division-Quality Control*" on page 355.

Global presence using a combination of direct presence and strategic partnerships

We operate through 11 manufacturing locations, five R&D facilities and 18 offices located across India, Malaysia, Thailand, the Philippines, UAE, Brazil, United States, Canada, the United Kingdom and various European countries such as Switzerland, Greece, France, Spain, Malta, Morocco, among others, on a consolidated basis as of March 31, 2025. In addition, we have built global capabilities in key geographies in the U.S., Canada, United Kingdom, Europe, Japan, Australia, New Zealand ("**Advanced Markets**") and over 80 other markets excluding the Advanced Markets ("**Emerging Markets**"), and we collaborate with a network of partners and distributors to commercialize our products globally.

With the integration of Viatris' biosimilars business by Biocon Biologics, we strengthened the commercial footprint of our Biosimilars business across more than 120 countries as of March 31, 2025, through a direct presence in 29 markets, i.e., the United States, Canada, 19 markets in Europe and eight key Emerging Market countries, namely UAE, Saudi Arabia, Morocco, South Africa, Brazil, Malaysia, Thailand and the Philippines. Outside of these 29 markets, we operate through a network of strategic partners and distributors.

We have also adopted a dual strategy for our Generics business with a direct presence in key markets and strategic partnerships for wider coverage in markets including Europe. This involves direct selling, licensing and partnerships for market expansion. We have a wide presence in the U.S. with end-to-end control over APIs and Generic formulations. In Europe, we have adopted a dual strategy, with direct presence in key markets and strategic partnerships for wider market coverage. In emerging markets such as Latin America, Middle East, North Africa and Asia, we mainly leverage a collaborative business-to-business model. As a result, our generic APIs and formulations are sold to customers in more than 60 countries as of March 31, 2025. We also collaborate with global customers for technology transfer, API supply, and finished dosage formulations through licensing arrangements.

Robust financial performance, providing clear visibility on future growth

We have demonstrated consistent improvement in our financial metrics over the last three Fiscals, as shown by the selected financial metrics and sales data below:

Particulars	**Fiscal year ended March 31,**		
	2025	**2024**	**2023**
	(₹ in millions unless otherwise indicated)		
Key Financial Metrics			
Revenue from operations	152,617	147,557	111,742
Sale of products	115,378	105,880	76,445
Contract research and manufacturing services income	34,802	34,150	30,839
Licensing and development fees and other operating revenue	2,437	7,527	4,458
Total income	164,699	156,212	115,501
Profit before tax, share of profit/(loss) of joint venture and associates and exceptional items	17,901	16,210	13,555
Profit for the year	14,294	12,978	6,430
Profit attributable to shareholders of the Company	10,133	10,225	4,627
Total Equity	277,125	252,748	224,888
EBITDA[(1)]	43,745	41,642	28,876
EBITDA Margin (%)[(2)]	26.56%	26.66%	25.00%
ROE[(3)] (%)	5.16%	5.13%	2.86%
Net worth[(4)]	201,870	187,878	171,898
Return on net worth (%)[(5)]	5.02%	5.44%	2.69%

Notes:
(1) EBITDA has been calculated as a sum of Profit before tax, share of profit/(loss) of joint venture and associates and exceptional items, finance costs and depreciation and amortisation expense.
(2) EBITDA Margin (%) is EBITDA expressed as a percentage of total income.
(3) ROE is calculated as profit for the year divided by closing equity as of the respective fiscal year end, multiplied by 100.
(4) Net Worth is defined as the aggregate value of the equity share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
(5) Return on net worth is calculated as profit attributable to shareholders of the company divided by net worth as of the respective fiscal year end, multiplied by 100.

Our consolidated revenue from operations increased from ₹111,742 million in Fiscal 2023 to ₹152,617 million in Fiscal 2025, representing a CAGR of 16.9%, while our profit for the year increased from ₹6,430 million in Fiscal 2023 to ₹14,294 million in Fiscal 2025, representing a CAGR of 49.1%. Furthermore, our EBITDA improved from ₹28,876 million in Fiscal 2023 to ₹43,745 million in Fiscal 2025, representing a CAGR of 23.1% and our return on net worth improved from 2.69% in Fiscal 2023 to 5.02% in Fiscal 2025.

Our growth and financial performance is due principally to: (i) increased sale of our products as a result of our expanding global geographical footprint globally, (ii) a clean track record of regulatory compliance across our manufacturing sites, and (iii) our continued investments in R&D.

Experienced leadership team with robust execution capabilities and in-depth industry knowledge

Our management team has a wealth of industry experience and multidisciplinary knowledge and is fully committed to the growth and continued success of our business. For further details regarding our management team, including the industry experience of our other Key Managerial Personnel and Senior Management Personnel, please refer to "*Board of Directors and Senior Management*" on page 426. Our Board of Directors (the "**Board**") comprises 9 individuals with a mix of business and academic experience. The average tenure of our Board for non-independent directors was 19.9 years and that of independent directors was 2.8 years, as of March 31, 2025. This longevity also contributes to operational stability and ensures that institutional knowledge and corporate culture are maintained over time. To support the global scale of our operations, members of our Board include individuals based outside India, including in the U.S., Canada and the United Kingdom. Five of the Board are independent and three are women, including our Executive Chairperson and founder, Ms Kiran Mazumdar-Shaw.

Ms Mazumdar-Shaw is a pioneer of the biotechnology industry in India and is ranked among the "World's 25 Most Influential People in Biopharma (2014)" by Fierce Biotech and Forbes magazine's "World's 100 Most Powerful Women." She holds key positions in various industry, educational, government and professional bodies at both national and international levels. She is a member of the high-level expert committee constituted by the Department of Biotechnology, which reviews the autonomous organizations under the administrative control of the department. She is also a member of the National Academy of Engineering and has been elected as a full-term member of The MIT Corporation, U.S. Ms Mazumdar-Shaw is also the proud recipient of two of India's highest civilian honors, the Padma Shri (1989) and the Padma Bhushan (2005). She was honoured with the Order of Australia, Australia's highest civilian honor, in January 2020. In 2016, she was conferred with the highest French distinction, Knight of the Legion of Honour. She also serves as the Honorary Consul General of Ireland in Bengaluru.

In addition, our Managing Director and Chief Executive Officer, Siddharth Mittal, the Managing Director and Chief Executive Officer of Biocon Biologics, Shreehas Tambe, and the Managing Director and Chief Executive Officer of Syngene, Peter Bains, are key members of our senior management team, who combined bring decades of leadership expertise in finance, business strategy, strategic planning, operations and business developments for our Company.

STRATEGIES

Launch new products, extend geographic reach of our products, increase cross-selling to existing clients while adding new clients in order to drive growth

We continue to seek to increase our market share and strengthen our position as a global biopharmaceutical company. For example, in the fourth quarter of 2024, our market shares in the United States for Pegfilgrastim, Trastuzumab and insulin Glargine U100 are 30%, 25% and 11%, respectively (*Source: F&S Report*). In several key European geographies as well, we have secured double-digit biologic volume market shares, including 42% for Bevacizumab in Italy, 18% for Adalimumab in Germany, and 14% for Pegfilgrastim in France (*Source: F&S Report*). We propose to achieve further increase in our market shares by expanding the breadth and depth of our reach through: (i) increased market shares for existing products and geographies through greater market access coverage, more customer and tender wins and greater prescriber adoption of our products; (ii) new products in existing geographies; and (iii) new products in new geographies.

As of March 31, 2025, we have four new products planned to be launched in our Biosimilars business over the next 12 to 18 months and a robust pipeline of an additional 10 products under development.

Furthermore, in the Generics business, the GLP-1 products represent near-term and long-term opportunities. We have received approvals for our GLP-1 Liraglutide in the UK in April 2024, making us one of the first companies to obtain approval for a generic GLP-1 medicine in the United Kingdom (*Source: F&S Report*). GLP-1s are among one of the fast-growing segments in the global pharmaceutical market with global sales expected to rise from US$11 billion (₹963 billion) in 2019 to US$144 billion (₹12,392 billion) by 2029 and a 21.7% CAGR expected increase in market size from 2024 to 2029, reflecting strong uptake driven by increasing obesity prevalence, superior clinical outcomes, and growing physician and patient awareness (*Source: F&S Report*). We aim to launch GLP-1 products in Europe and the United States, with approval in the United States expected to be in the Fiscal 2026. During Fiscal 2025, our Generics business segment had also made 108 formulation filings and received 50 approvals for our drug products across the U.S., EU, the U.K. and other markets, which includes the U.S. FDA approvals for Micafungin injection, Sacubitril + Valsartan tablets, Daptomycin injection, Lenalidomide capsules, Dasatinib tablets, Triamterne capsules, Everolimus tablets as prophylaxis of organ rejection and Norepinephrine Bitartrate injection.

In addition, Syngene's acquisition of its new facility in Baltimore (Maryland, United States of America) that is fitted with mAbs manufacturing lines is aimed to expand our global biologics footprint. With rising demand for our products and several new launches planned, we seek to accelerate growth over the medium term as we leverage our end-to-end capabilities to introduce and commercialize our new and evolving portfolio of products.

Further strengthen our R&D capabilities

We intend to continue to strengthen our R&D capabilities by investing in our R&D efforts. As an integrated biomanufacturing company, our capabilities span the entire drug development lifecycle, from discovery and preclinical research to clinical trials and CMC, enabling us to operate with agility, reduce development timelines, and respond swiftly to evolving medical needs. Our expertise spans from mammalian and microbial-based solutions for clinical to commercial supply needs, with specialised experience in monoclonal antibodies, bispecifics, antibody fragments, recombinant proteins, glycoproteins, mRNA, and microbiome LBPs, and we believe that such diverse and established platform will support our robust R&D pursuits. In the Generics business, we intend to continue to expand our portfolio of complex vertically integrated products such as peptides, particularly GLP-1, fermentation APIs, HPAPIs and injectables. We aim to further strengthen our R&D capabilities by improving Syngene biologics brand. Syngene's recently acquired Unit - 3 in Bangalore (Karnataka) and its facility in Baltimore (Maryland, United States of America) would allow us to focus building a pipeline of projects that generate recurring revenue, while adding to our R&D team's experience that potentially may allow us to reduce costs, increase and optimize yields and efficiency, and become more sustainable or reduce costs in our future production efforts.

For Biosimilars, we remain focused on leveraging our vertically integrated model to accelerate growth for existing products while also preparing for new product launches. We are progressing the products in our pipeline and investing in next generation processes and technology to drive the next phase of growth. These include sub-cutaneous technology and more advanced drug delivery devices.

Our net research and development expenses were ₹8,585 million, which represented 7.13% of our revenue from operations in Fiscal 2025 (excluding revenue from operations of the Research business segment). We expect to similarly prioritise our R&D spend in Fiscal 2026, both for Generics as well as for Biosimilars.

We also aim to enter into strategic collaborations for increased speed and cost competitiveness in drug discovery. We are also in the process of developing peptide building blocks including protected amino acids that will allow backward integration and to achieve cost efficiency in peptide manufacturing. We further propose to partner with global academia and industry practitioners to build value and visibility for our portfolio. An example of one such academic collaboration is a collaboration on new technologies in the Generics business.

Increase our manufacturing capacities to align with our business plans and evolving global opportunities across our business segments

As of March 31, 2025, we had 11 manufacturing locations across our three business segments with four locations in Bengaluru (Karnataka), two locations in Visakhapatnam (Andhra Pradesh), and one each in Hyderabad (Telangana), Mangaluru (Karnataka), Cranbury (New Jersey, United States of America), Baltimore (Maryland, United States of America) and Johor (Malaysia). With this, we are amongst the world's top 15 companies in terms of biomanufacturing capacity in 2024 and among the top five biosimilars player in terms of revenue globally for Fiscal 2025 (*Source: F&S Report*). We are also one of the key global suppliers of statin (therapeutic category: cardiovascular drugs) and immunosuppressant (therapeutic category: transplantation) APIs *(Source: F&S Report)*. Syngene, our subsidiary, representing the Research business segment is one of the most scaled Indian CRDMO in terms of biologics manufacturing capacity as of March 31, 2025 *(Source: F&S Report).*

We continuously aim to increase our manufacturing capacities to allow us to increase production of our products across our various business segments. In the Biosimilars segment, we have made progress in Fiscal Year 2025 on the Phase II expansion of our Malaysia site, which is expected to double our capacity for both drug substances and drug products once completed. In the Generics segment, we are augmenting our peptide and non-immuno fermentation capacities at Bangalore (Karnataka) as well as synthetic API capacities at Hyderabad (Telangana). We also expect to commission our injectables facility in Bangalore (Karnataka) to address our portfolio requirements of vials, cartridges, prefilled syringes, and drug-device combinations. In the Research business segment, Syngene had acquired a biologics facility in Baltimore (United States of America) in Fiscal 2025, thereby increasing our installed bioreactor capacity to over 50KL. Creating new facilities or expanding existing facilities will play a key role in servicing the increased demand we are witnessing for our products globally.

Leverage vertically integrated platforms, adopt new technologies and digital transformation to enhance operational efficiency

Given that we have full control of the value chain from lab-to-market, we intend to leverage economies of scale especially when it comes to integrated manufacturing operations and enabling infrastructure and functions (e.g., finance and human resources). We are also embracing digital tools and algorithms to drive insights and make decisions such as optimal inventory management, logistic routing, customer relationship management and global distribution more efficient. We intend to implement "digital twins" in our manufacturing sites to predict batch success, reduce raw material wastage thereby driving cost savings. We are implementing similar initiatives across the business value chain through various digital transformation initiatives that aim to enhance operational efficiency, maintain agility, reduce dependencies and drive cost savings.

Enhancing competitive market entry through intellectual property strength and strategic settlements

We aim to continue increasing our global presence and advantage from early market entry in the various business segments we operate by leveraging our in-house intellectual property ("**IP**") team's capabilities, including our ability to successfully navigate patent litigation with global originator companies and/or reach settlements. Our recent settlements exemplify this capability, namely (i) our recent patent disputes resolution relating to Ustekinumab that paved the way for launches in Europe, United Kingdom, Canada and Japan and (ii) our settlement in relation to Yesafili (Aflibercept) that enabled us to anticipate a launch into the United States as early as the second half of 2026. These highlights our ability to navigate IP challenges and minimise litigation risks while fostering mutually beneficial agreements with global originator companies.

Selectively pursue strategic partnership and acquisitions

We will continue to augment our organic growth by pursuing selective acquisitions and strategic alliances that provide us access to better infrastructure, high-value technological and operational capabilities, industry knowledge, technology expertise and geographical reach and allow us to expand our product offerings and client base. We may consider select acquisition opportunities such as acquiring divisions of existing companies to selectively expand our product portfolio, provided such opportunities offer the synergies we seek and are available at competitive prices. We have done so in the past with (i) our acquisition of Viatris' biosimilars business, extending our footprint to span over 120 countries, as of March 31, 2025; (ii) our acquisitions of Unit - 3 in Bangalore (Karnataka) and the facility in Baltimore (Maryland, United States of America) that further enhanced our manufacturing capabilities for biologics in both human and animal health; and (iii) our acquisition of the oral solid dosage manufacturing site in Cranbury (New Jersey, United States of America) — all of which, proves our ability to pursue similar strategic partnerships and acquisitions.

BUSINESS DESCRIPTION

We classify our business into three broad business segments: (i) Biosimilars, (ii) Generics and (iii) Research. The following shows the total revenues from our three business segments for the years indicated:

Segment	**Fiscal year ended March 31,**					
	2025		**2024**		**2023**	
	(Rs. in millions)	*(%)*	*(Rs. in millions)*	*(%)*	*(Rs. in millions)*	*(%)*
Biosimilars	90,174	57.52%	88,242	58.39%	55,838	48.30%
Research	36,424	23.23%	34,886	23.09%	31,929	27.62%
Generics	30,175	19.25%	27,985	18.52%	27,644	23.91%
Novels*	-	-	-	-	192	0.17%
Inter segment revenue	(4,156)	-	(3,556)	-	(3,861)	-
Revenue from operations	152,617	100.00%	147,557	100.00%	111,742	100.00%
** Since December 2023, we have discontinued our business in relation to Novels.*						

Set forth below is a brief description of each of our main business segments:

Biosimilars

Our Biosimilars business is conducted by our subsidiary Biocon Biologics, a unique, fully integrated, global biosimilars company committed to transforming healthcare by enabling affordable access to high quality biosimilars for millions of patients worldwide. Our Biosimilars business specializes in developing, manufacturing, and commercializing a differentiated and comprehensive biosimilars portfolio including insulins, monoclonal antibodies and conjugated recombinant proteins.

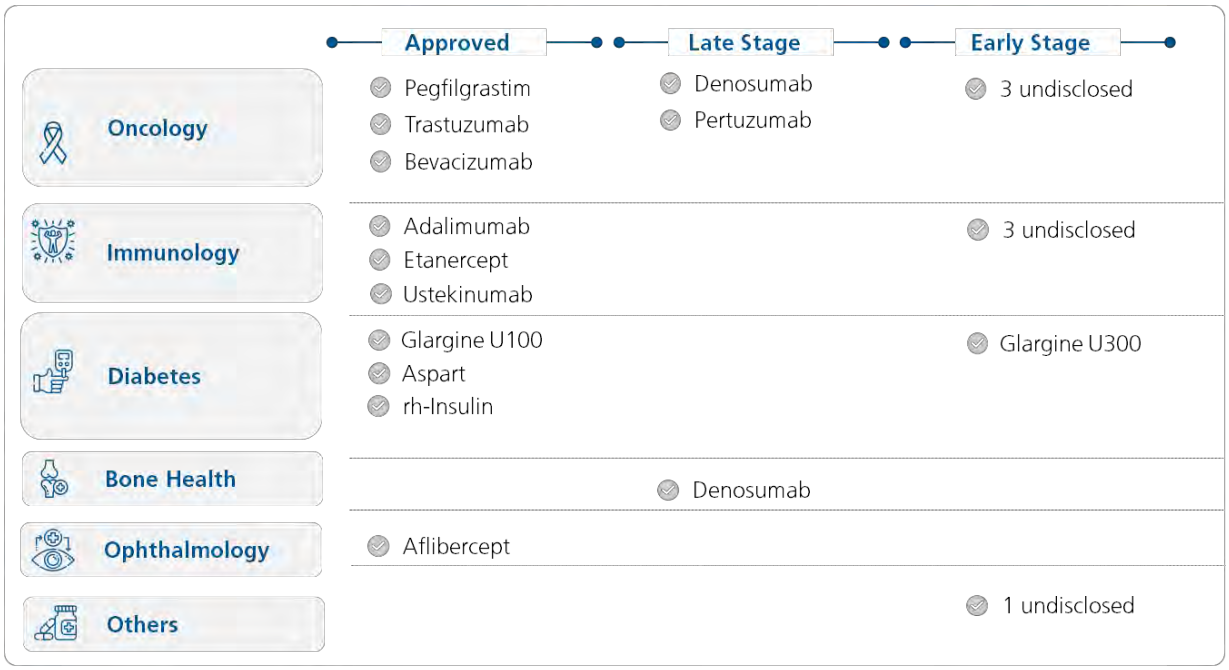
Biosimilars are large, complex molecules produced from living organisms, tissues, or cells. A biosimilar is highly similar to an already approved biological medicine (i.e., the reference product) in terms of structure, biological activity, efficacy, safety, and immunogenicity profile. Biosimilars have no clinically meaningful difference versus the biologics (reference product) and are developed and manufactured with the same scientific rigor and quality guidelines. However, biosimilars are more affordable alternatives to their reference product and can address the affordability and access challenge, while ensuring the same treatment outcome.

Like generics, biosimilars offer cost-effective solutions for healthcare systems by broadening patient access to biologic treatments, which are increasingly becoming the standard of care and easing the strain on healthcare budgets. Biosimilars, with their larger molecular size and more intricate structure compared to small-molecule generics, bring additional expenses and complexity in terms of development and production process.

Comparison of biosimilars and generics in development costs and capabilities required

	Biosimilars	Small molecule generics
Expertise & Capabilities	Highly specialized skills Experience with complex technological platforms	Easy to build given limited complexity
Development Spends	~USD50-200m	Simple Gx: <USD1.0m Complex Gx: ~USD15-20m
Manufacturing Investments	USD150m+	Simple Gx: ~USD20-30m Complex Gx: ~USD40-50m
Development Timelines	~6-9 years	~2-3 years
Clinical Studies	Pharmacokinetic comparison studies in Phase 3	Bioequivalence studies in healthy volunteers
No. of Subjects in Clinical Studies	~100-500	~20-50

As of March 31, 2025, our Biosimilars portfolio comprised 20 biosimilar assets in total, with 10 approved products in global markets and 10 more products in the pipeline, across diabetology, oncology, immunology, ophthalmology, and other non-communicable diseases. The below is a snapshot of our portfolio of 20 products:



These products collectively address a US$130 billion (₹11 trillion) in market opportunity (*Source: F&S Report*), and four of our biosimilar products have revenues averaging over US$200 million in Fiscal 2025 (which is equivalent to ₹17,116 million).

On the commercial front, our biosimilars business is broadly structured as Advanced Markets and Emerging Markets with our commercial strategy and operating model customized to (i) the type of market, (ii) what it takes to succeed, (iii) local regulatory and policy nuances and (iv) financial potential. The Advanced Markets accounts for approximately 71% of the revenue from our Biosimilars segment while the Emerging Market accounts for approximately 29% of revenues from our Biosimilars segment, as of March 31, 2025.

Our adherence to high quality standards for biosimilars has also led Biocon Biologics to obtain more than 90 cGMP approvals from international regulatory agencies as of March 31, 2025.

Advanced Markets

The Advanced Markets segment comprises of U.S., Canada, Europe, Japan, Australia, and New Zealand. We have direct presence in the U.S., Canada and 19 European countries (including the top five European markets of Germany, France, the U.K., Spain, and Italy) and operate through distributors and strategic partners in the remaining geographies.

We also further localize our business model based on the specific country in which we are operating and product segment. For example, the U.S. market is divided into two broad market archetypes each covering different types of drugs. We have established commercialization capabilities in both the (i) Part B or Medical Benefit segment and (ii) Part D or Pharmacy Benefit segment. The Part B (Medical Benefit) segment refers to drugs administered by a healthcare provider in a hospital, clinic or infusion center, which our bPegfilgrastim and bTrastuzumab fall under. The Part D (Pharmacy Benefit) segment refers to drugs dispensed at the pharmacy and self-administered by patients, which our bGlargine and bAdalimumab fall under.

The table below sets out the products that we have commercialized across the Advanced Markets, including the U.S. and other countries.

	United States	**Canada**	**Japan**	**Europe**	**Australia**
Products available	bAdalimumab	bAdalimumab	bAdalimumab	bAdalimumab	bTrastuzumab
	bGlargine	bGlargine	bGlargine	bBevacizumab	bBevacizumab
	bPegfilgrastim	bPegfilgrastim	bUstekinumab	bEtanercept	
	bTrastuzumab	bTrastuzumab		bTrastuzumab	
	bUstekinumab	bAspart		bPegfilgrastim	
		bBevacizumab		bGlargine	
				bUstekinumab	
				bAspart	

The success of our commercialization activities is reflected in the strong market share we have garnered in the Advanced Markets. For example, in the fourth quarter of 2024, our market shares in the United States for Pegfilgrastim, Trastuzumab and insulin Glargine U100 are 30%, 25% and 11%, respectively (*Source: F&S Report*). In several key European geographies as well, we have secured double-digit biologic volume market shares, including 42% for Bevacizumab in Italy, 18% for Adalimumab in Germany, and 14% for Pegfilgrastim in France (*Source: F&S Report*).

The below table further shows the growth of our market share by volume for select products between the fourth quarter of 2023 to the fourth quarter of 2024:

Market/ Molecule	**Q4 CY 2023**		**Q4 CY 2024**	
Region	US	Europe + JANZ	US	Europe + JANZ
Pegfilgrastim	16% (Biosimilar launched in 2018)	6% (Biosimilar launched in 2020)	30%	6%
Trastuzumab	11% (Biosimilar launched in 2019)	5% (Biosimilar launched in 2019)	25%	8%
Insulin Glargine U100	11% (Biosimilar Launched in 2020)	4% (Biosimilar launched in 2016-2019)	11%	3%
Bevacizumab	(Not yet launched)	4% (Biosimilar launched in 2021-2022)	(Not yet launched)	6%

Source: F&S Report. Analysis using data from the following source: IQVIA MIDAS® quarterly volume sales data for the period MAT 2023 and 2024.

Note: Trastuzumab includes IV and Subcutaneous formulations. In the IV formulation segment, Biocon Biologics' market share is 12% and 26% in the US market in Q4 2023 and Q4 2024, respectively. Dual pricing, discounting, rebates, tender-based procurement, and

regional and corporate policy heterogeneity often distort market value. Volume, by contrast, offers a more consistent and accurate measure of market dynamics and is therefore preferred for market share calculations; the biologics market includes originator and biosimilars.

Emerging Markets

The Emerging Markets segment comprises of eight key countries (namely the UAE, Saudi Arabia, Morocco, South Africa, Brazil, Malaysia, Thailand and the Philippines) where we have a direct presence and for the remaining geographies, we operate through distributors and strategic partners.

The table below sets out the products that we have commercialized across key Emerging Markets.

Products available	Morocco	Philippines	UAE	Thailand	Brazil	Saudi Arabia	Malaysia	South Africa
	bGlargine	bTrastuzumab	bGlargine	bGlargine	bTrastuzumab	bTrastuzumab	bGlargine	bTrastuzumab
	bTrastuzumab	bBevacizumab	bTrastuzumab	bTrastuzumab	bBevacizumab	bBevacizumab	bTrastuzumab	bBevacizumab
	bAdalimumab		bPegfilgrastim	bBevacizumab	bPegfilgrastim	bPegfilgrastim	bBevacizumab	bPegfilgrastim
	bEtanercept		bAspart	bAdalimumab	bAdalimumab	bAdalimumab	bAspart	bInsulin
	bInsulin		bBevacizumab	bEtanercept	bPegfilgrastim	bEtancercept	bInsulin	bEtanercept
	bPegfilgrastim					bGlargine		

Note:

(1) Through self-commercialization or through partners or with a combination of both.

The success of our commercialization activities is reflected in the strong market share we have garnered in the Emerging Markets. For example, in South Africa, we hold the top rank with a 72% share for Bevacizumab, 48% for Pegfilgrastim, and ranks second for Trastuzumab IV with 27%; in Mexico, we lead with 87% market share for rh-Insulin and 54% for insulin Glargine U100; and in Malaysia, we rank first in rh-Insulin with a 61% share and second in Bevacizumab with 41% (*Source: F&S Report*).

Generics

Our generics business comprises a growing portfolio of APIs as well as finished dosages. The API business started in the late 1990s and requires advanced fermentation and other skills. In 2013, we also entered the generic formulations business with a strategy to forward integrate our in-house APIs. The focus of our generics business is to supply medicines and make them widely available, at a lower cost, once the innovators' IP protection has elapsed. We compete on quality, cost, and supply reliability for our generic products. Many of our products are vertically integrated, giving us better control over the value chain, thereby ensuring continuity of supplies to customers and eventually to patients. We are now one of the key global suppliers of statin (therapeutic category: cardiovascular drugs) and immunosuppressant (therapeutic category: transplantation) APIs (*Source: F&S Report*).

Since the commercialization of our first generic formulation in the U.S. in 2017 and as at March 31, 2025, we have launched 22 drug products in the U.S., five in Europe (including the UK) and a few in most-of the-world markets, leveraging the U.S. approvals. Currently, our generics formulations portfolio comprises more than 80 products across cardiology, anti-diabetics, obesity, oncology, immunology, and autoimmune indications, and the business crossed US$100 million in annual sales in Fiscal 2024 (which is equivalent to ₹8,337 million) and US$125 million in annual sales in Fiscal 2025 (which is equivalent to ₹10,697 million). We anticipate commercializing products every year in the U.S. market and strengthening our presence in Europe and most-of the-world markets. We have a long and proud history of maintaining high standards of quality and compliance, having received more than 125 cGMP approvals from various international regulatory bodies as of March 31, 2025. In April 2024, after gaining approval for our GLP-1 Liraglutide in the UK, we became one of the first companies to obtain approval for a generic GLP-1 medicine in the United Kingdom (*Source: F&S Report*).

Our APIs pipeline included more than 75 products as of March 31, 2025, spanning cardiovascular, anti-diabetics, immunosuppressants, and specialty molecules which has been further augmented to include oncology-based HPAPIs and peptides, particularly GLP-1 receptor agonists, that address diabetes and weight management. In the Generics segment, we served more than 420 customers and had sold our products in more than 60 countries, as of March 31, 2025.

The below graphics represent the key APIs and formulations portfolio for our Generic business segment, as of March 31, 2025:

APIs*

Therapeutic Area	Molecule
Cardiovascular	Apixaban
	Atorvastatin
	Dabigatran
	Fluvastatin
	Ivabradine
	Pravastatin
	Rivaroxaban
	Rosuvastatin
	Simvastatin
	Lovastatin
	Sacubitril
Anti-Diabetics	Liraglutide
	Semaglutide
	Dapagliflozin
	Empagliflozin
	Linagliptin
	Repaglinide
	Sitagliptin
	Vildagliptin

Therapeutic Area	Molecule
Immunosuppressants	Tacrolimus
	Mycophenolate Mofetil
	Mycophenolate Sodium
	Everolimus
	Sirolimus
	Pimecrolimus
Oncology	Dasatinib
	Everolimus
	Lenalidomide
	Olaparib
	Cabozantinib
Anti-fungal	Micafungin
	Anidulafungin
	Posaconazole
Multiple Sclerosis	Fingolimod
	Glatiramer Acetate
	Teriflunomide
Others	Orlistat
	Ticagrelor
	Deferasirox
	Brinzolamide
	Ivacaftor
	Mirabegron
	Nintedanib
	Lurasidone

Source: Company information as of 31 March 2025
*Note: Filed DMFs

Formulations

Launched Approved

Therapeutic Area	Molecule	US	Dev[1] Markets: ex-US	MoW[1]
Cardiovascular	Rosuvastatin Calcium		UK, EU[2]	
	Simvastatin			
	Atorvastatin			
	Pravastatin			
	Labetalol HCl			
	Dabigatran		UK, EU[2]	
	Sacubitril+valsartan			
	Prazosin			
	Rivaroxaban	TA	UK, EU[2]	
Oncology	Everolimus (Afinitor)		EU[2]	
	Everolimus (Zortress)			
	Pemetrexed	TA		
	Lenalidomide		UK, EU[2]	
	Dasatinib			
Immunosuppressants	Tacrolimus			
	Mycophenolic Sodium			
	Fingolimod		UK, EU[2]	
Multiple Sclerosis	Teriflunomide			
	Dimethyl Fumarate		UK, EU[2]	
	Liothyronin (Hypothyroidism)			
	Liraglutide (Anti-diabetic & Anti-Obesity)[3]		UK	
	Aminocaproic acid Tablet & Oral Sol. (Antifibrinolytic)			
	Dapagliflozin (Anti Diabetic)	TA		
	Esomeprazole DR (GI)			
	Dorzolamide (Ophthalmic)			
Others	Dorzolamide Timolol (Ophthalmic)			
	Posaconazole (Anti-Fungal)		UK, EU[2]	
	Micafungin (Anti-Fungal)		UK, EU[2]	
	Nitrofurantoin (Anti-Fungal)			
	Famotidine (GI)			
	Triamterene (Hypertension)			
	Vigabatrin Tablet & Oral Sol. (CNS)			
	Oxcarbazepine (CNS)			

Source: Company information as of 31 March 2025
[1]Note: 1.MoW - Most of the World markets | 2. Select EU countries | TA – Tentative approval | 3. Got approved in selected European countries

Upcoming Generic Products

During Fiscal 2025, we made 108 formulation filings and received 50 approvals for our drug products across the U.S., EU, the U.K. and other markets, which includes the U.S. FDA approvals for Micafungin injection, Sacubitril + Valsartan tablets, Daptomycin injection, Lenalidomide capsules, Dasatinib tablets, Triamterne capsules, Everolimus tablets as prophylaxis of organ rejection and Norepinephrine Bitartrate injection. Some of these products have been launched while others are expected to be launched in the coming times basis manufacturing readiness and/or market entry timelines linked to loss of exclusivity or settlements with the innovator for the same.

As we had received approval for our GLP-1 Liraglutide in the UK in April 2024 and a decentralized procedure ("**DCP**") end of procedure in Europe in December 2024, we remain focused on the strategic expansion of our differentiated GLP-1 portfolio into new markets. We aim to launch GLP-1 products in Europe and the United States, with approval in the United States expected to be in the Fiscal 2026.

Research

Our research services business is primarily conducted through our subsidiary Syngene, a contract research, development, and manufacturing services company that offers a broad range of scientific services from the earliest stages of discovery to commercial supplies. We also collaborate with companies in nutrition, animal health, consumer products, and specialty chemicals. Syngene provides end-to-end services as a CRO and CDMO for large and small molecules. Syngene offers different collaboration models ranging from long-term relationships with dedicated R&D facilities to FFE and FFS arrangements. Syngene exemplifies a model of integrated, scalable, and globally compliant service in the research services industry with an installed bioreactor capacity of over 50KL as of March 31, 2025, being one of the most-scaled in India (*Source: F&S Report*).

Syngene's team of more than 5,600 scientists as of March 31, 2025 possesses the expertise and capability to deliver quality manufacturing, at speed, to improve time-to-market and lower the cost of innovation. We cater to around 400 active clients, including 14 of the top 20 pharmaceutical companies in terms of sales (*Source: F&S Report*). The number of active clients group under Syngene is approximately 400 in Fiscal 2025, which has increased by more than 50% as compared to Fiscal 2016. With dedicated research facilities for marquee clients, along with more than 2.5 million square feet of specialist discovery, development, and manufacturing sites, Syngene collaborates with biotechnology companies and multinationals to support their pursuit of leading-edge science.

Operating out of three campuses in South India, Syngene provides end-to-end services within the Contract Research Organization ("**CRO**"). It also offers a wide range of services within the Contract Development and Manufacturing Organization ("**CDMO**"), including commercial scale manufacturing for large and small molecules. It has flexible collaboration types ranging from contracts based on numbers of scientists (FTEs), fee for service, productivity-based and risk-reward models, as well as dedicated research facilities.

Contract Research Organization

CRO provides discovery research services to pharmaceutical, biotechnology, medical device, and other industries. The market for CRO services was valued at US$16 billion (₹1,344 billion) in 2019 and is expected to reach US$40 billion (₹3,472 billion) by 2029 (*Source: F&S Report*). It grew at a CAGR of 10.5% between 2019 and 2024, with future growth projected to reach 9.4% through 2029 (*Source: F&S Report*). CROs provide a range of services, including discovery, preclinical and clinical stages of pharmaceutical R&D, along with post-drug launch pharmacovigilance (*Source: F&S Report*). Growth in this segment is fuelled by the increasing number of novel drug candidates entering the pipeline, the globalization of clinical trials and the need for specialized expertise in navigating complex regulatory pathways and therapeutic areas (*Source: F&S Report*).

Our CRO business comprises discovery services, dedicated R&D centers and translational and clinical research. Discovery services span the entire spectrum of early-stage research from target identification to delivery of drug candidates for further development across small and large molecules. Syngene's flexible approach provides its clients with a choice of individual functional services or integrated drug discovery solutions. Functional services include chemistry, biology, safety assessment and toxicology, and computational and data sciences. Clinical research offers services through trials conducted on both healthy volunteers and patients with regulated bioanalysis (small and large molecules, peptides, antibody–drug conjugates), central lab, clinical data management biostatistics as allied services.

Contract Development and Manufacturing Organization

CDMOs currently account for the majority share, contributing US$92 billion (₹7,940 billion) in 2019 and projected to reach US$190 billion (₹16,346 billion) by 2029 (*Source: F&S Report*). CDMOs specialize in the development, scale-up and manufacturing of drug products both for clinical trials and commercial distribution. This segment grew at a CAGR of 6.9% from 2019 to 2024 and is forecast to accelerate to 8.0% between 2024 and 2029 (*Source: F&S Report*). CDMO services typically include drug formulation development during preclinical and clinical stages, analytical and stability studies, process development and scale-up, and both clinical and commercial manufacturing (*Source: F&S Report*). The growth in this segment is driven by increased demand for complex products and advanced therapeutic modalities, the

need for flexible manufacturing capacity and the rising preference for single-source providers capable of handling diverse-scale, end-to-end manufacturing (*Source: F&S Report*).

Our CDMO business offers development services, including a range of preclinical drug substances and drug product development services for both small and large molecules. Manufacturing services completes the integrated platform offering to our customers. In addition to the small molecule commercial manufacturing site in Mangaluru (Karnataka), we offer biologics manufacturing in Bengaluru (Karnataka) and Baltimore (United States of America), with the capacity to run multi-product production campaigns simultaneously, based on a single-use technology platform.

MANUFACTURING AND SITES

Properties and Sites

Our first solid state fermentation site was set up in 1984. Since then, our manufacturing sites have grown significantly to accommodate with growth in our businesses.

We operate through 11 manufacturing locations, five R&D facilities and 18 offices located across India, Malaysia, Thailand, the Philippines, UAE, Brazil, United States, Canada, the United Kingdom and various European countries such as Switzerland, Greece, France, Spain, Malta, Morocco, among others, on a consolidated basis as of March 31, 2025.

Biocon Biologics' manufacturing facilities are located at three sites, i.e. two in Bengaluru (Karnataka) and one in Johor (Malaysia),and these had a combined drug substance capacity of more than 300KL for drugs and more than 100 million units of drug products (across vials, cartridges, pens and pre-filled syringes) as of March 31, 2025, placing it among the world's top 15 companies in terms of biomanufacturing capacity in 2024 and among the leading insulin producers worldwide (*Source: F&S Report*). Our site in Johor (Malaysia) is one of Asia's largest integrated insulin facilities that manufactures drug substances and drug products in vials, cartridges and insulin delivery services. Six of our sites serve our Generics segment and had a combined API manufacturing capacity of 900MT and a formulations capacity of 880 million oral solid dosages, as of March 31, 2025, allowing us to serve the global demand for statin and immunosuppressant, among other products in our portfolio. Our Research business segment, through our subsidiary Syngene, has manufacturing facilities located in Bengaluru (Karnataka), Mangaluru (Karnataka), along with international presence through the recently acquired biologics facility located in Baltimore (United States of America).

Our manufacturing expertise spans microbial and mammalian expression platforms. We use bacterial and fungal strains to manufacture fermentation-based APIs, along with synthetic APIs and peptides. Our biosimilars business uses CHO and NSO cell-based systems for producing monoclonal antibodies, and our *Pichia pastoris* technology platform for recombinant human insulin and insulin analog product lines. We leverage our expertise in formulation and product science to convert drug substances into vials, cartridges, drug device combination products like prefilled syringes, pen devices and autoinjectors (both disposable and reusable).

Raw Materials

The Biosimilars business segment procures its raw materials from various geographies including North America, Europe, India, and the APAC. The top raw materials we procure for our manufacturing process are devices, cell culture media and feeds, resins, primary packing components, solvents and specialty chemicals used in the manufacture of drug substance and drug product for mAbs, microbials and insulins.

The Generics business segment procures its raw materials from various regions across the globe including USA, Europe, India, Middle East and the APAC (including China). The top raw materials we procure for our manufacturing process are starting materials for API, speciality chemicals, solvents, resins, API's, excipients and packaging materials used in the manufacturing of drug substance and drug products.

The Research business segment procures its raw materials from various geographies including India, China, United States and Europe. The top raw materials that we procure for our small and large molecule CRDMO businesses are key starting materials, reagents, solvents, catalysts, cell culture media and feeds, resins and packing materials.

Utilities and Others

In India, we receive power from the state electricity boards, which is adequate to meet our current requirements. Additionally, we have captive power generation facilities, comprising diesel generator sets and turbine generators which serves as a back-up power source. We currently use high speed diesel fuel in these generator sets.

Site Number	Location of Site	Name of State Electricity Board	Capacity of State Electricity Board Supply (kVA)	Capacity of Back-up Power Source (kVA)
1	Bangalore	BESCOM	8,000	15,000
2	Bangalore	BESCOM	20,000	41,750

3	Hyderabad	TGSPDCL	3,300	5,290
5	Visakhapatnam	APEPDCL	1,500	2,875
6	Visakhapatnam	APEPDCL	3,200	4,270
Total Capacity (kVA)			**36,000**	**69,185**

We will continue to augment both state electricity board supply and captive power generation capacity as and when required.

For our Malaysia facility, our power consumption is approximately 9MVA and we receive power from the National Berhad (TNB) Malaysia national grid and augmented by solar power installations at the site.

Our fermentation processes are also water intensive. Water for our fermentation and pharmaceutical processes is sourced from the state-owned water utility or area developer through a pipeline and supplemented by water tankers. The supplied water is subjected to necessary treatment before process application. Our water supplies are adequate to meet current usage requirements and planned expansion.

Future Sites

In the Biosimilars segment, we have made progress in Fiscal 2025 on the Phase II expansion of our Malaysia site, which is expected to double our capacity for both drug substances and drug products once completed. The drug product line is installed onsite and is undergoing qualification. The expanded facility will play a key role in servicing the increased demand we are seeing for our insulins portfolio globally.

In the Generics segment, in Fiscal 2025, our fermentation API facility in Visakhapatnam was qualified to supply products to the US market, thereby allowing us to cater to the growing volumes for immunosuppressant APIs. We are also undertaking brownfield expansions to augment our peptide and non-immuno fermentation capacities at Bangalore (Karnataka) as well as synthetic API capacities at Hyderabad (Telangana). In Fiscal 2026, we expect to commission our injectables facility in Bangalore to address our portfolio requirements of vials, cartridges, prefilled syringes, and drug-device combinations.

In the Research business segment, Syngene had acquired a biologics facility in Baltimore (United States of America) in Fiscal 2025, thereby increasing our installed bioreactor capacity to over 50KL.

Additionally, we continue invest in and expand our global distributed supply network which includes a combination of in-house manufacturing sites and both local and global contract manufacturing.

RESEARCH AND DEVELOPMENT

In-house research and development activity is central to our business. We have built strong end-to-end R&D capabilities and expertise on drug development from cloning and cell line development to large-scale manufacturing and commercialization. We pursue a scientifically rigorous, ethically compliant and stage gate-based structured preclinical and clinical development strategy. Our expertise in conducting end-to-end clinical research supports early and late-phase clinical trials for biosimilars, novel biologics, small molecule generics, and post-approval safety services, including development strategy and advisory discussions with regulatory authorities.

Our aggregate research and development expenses were ₹8,585 million, ₹11,540 million and ₹11,194 million, in Fiscals 2025, 2024, 2023, respectively.

Quality Division

Quality control, quality assurance and regulatory compliance are central to our success as a biotechnology company.

Quality Control

We have a Quality Council dedicated for implementation of ongoing measures and ensuring that our product quality consistently meets the highest standards. Our sites are equipped with a robust quality management system. We ensure compliance to cGMP, Good Storage Practices ("**GSP**"), Good Distribution Practices ("**GDP**"), Good Documentation Practices, Good Clinical Practices ("**GCP**") and Good Pharmacovigilance Practices ("**GVP**"). We align our processes with global regulatory expectations while fostering a culture rooted in quality ownership, data integrity, risk-based thinking and continuous improvement. By leveraging operational, technological, and digitization initiatives, we strive to enhance manufacturing efficiencies, thereby aiming high-quality product outputs. Regular self-inspections, carried out at sites by qualified teams, supplement our efforts. External quality audits are conducted annually, alongside periodic management review meetings at both site and management levels. Every fortnight, we organize site-specific quality governance calls involving manufacturing teams and site personnel to address and resolve issues.

For the Biosimilars business segment, all three of its manufacturing sites (i.e., two in Bengaluru and one in Johor) have been certified by EMA and the U.S. FDA.

For the Generics business segment, our facilities have been certified by multiple global regulatory agencies including the U.S. FDA, EMA, ANVISA & MHRA with over 125 cGMP approvals.

For the Research business segment, our facilities have been certified by the U.S. FDA, EMA, PMDA, Health Canada and UK's Veterinary Medicines Directorate.

Quality Assurance

Under quality assurance, the division's main areas of activity include annual product reviews, validation of processes, investigation of deviations and batch failures, internal audits with respect to cGMP and quality systems, external audits with respect to regulators and customers and documentation and data control. The division notifies and co-ordinates with senior management on regulatory inspections as well as cGMP compliance.

SALES AND MARKETING

As of March 31, 2025, we had 18 offices across India, North America, Brazil, Europe, the UAE, Malaysia and the Philippines, among others. As of March 31, 2025, we had more than 490 employees in our marketing team across our business segments.

Biosimilars

We supply our biosimilars to various customers and pharmaceutical companies globally in both the Advanced Markets and the Emerging Markets. Depending on the market, we operate either via a self-led operating model, a partner-led model or a combination of both. Under the self-led model, we sell our products directly to our customers with our own sales teams, while under the partner-led model, we rely on third-party partners who distribute our products.

Generics

Our global commercial strategy for our Generics business involves direct selling, licensing and partnerships for market expansion. Currently, we supply our API products to many of the largest pharmaceutical companies in the world, including several of the largest generic formulators. In Generics formulations, we have established a direct presence in the U.S. while in Europe, we have adopted a dual strategy, with direct presence in key markets and strategic partnerships for wider market coverage. In emerging markets such as Latin America, Middle East, North Africa and Asia, we mainly leverage a collaborative business-to-business model.

Research

Syngene has been investing behind its commercial team in key locations closer to clients. Business development efforts by the marketing team in addition to client references helps generate new project work. Syngene's clients include a number of pharmaceutical and biotechnology companies in the United States and the European Union.

DISTRIBUTION

We have made acquisitions and entered into strategic partnerships to expand our capabilities and reach in new markets. Our global scale, end-to-end supply chain processes encompass multiple business segments, several manufacturing locations, and a diverse product portfolio. With the integration of the acquired Viatris business, we now have a strong commercial footprint for our biosimilars across more than 120 countries where our products are available as of March 31, 2025 through a direct presence in U.S., Canada, 19 markets in Europe and eight key emerging market countries: the UAE, Saudi Arabia, Morocco, South Africa, Brazil, Malaysia, Thailand, and the Philippines. In the Generics business we have adopted a dual strategy with a direct presence in key markets and strategic partnerships for wider coverage in select markets to expand our commercial reach. In Fiscal 2025, we sold our products in more than 60 countries. We have a wide presence in the U.S. with end-to-end control over APIs and Generic formulations. In Europe, we have a direct presence in key markets and strategic partnerships for wider market coverage. In emerging markets such as Latin America, Middle East, North Africa and Asia, we mainly leverage a collaborative business-to-business model.

INTELLECTUAL PROPERTY

We have a dedicated intellectual property team which is responsible for filing patents in both the Indian and overseas markets in our research, process and platform technology areas.

As at March 31, 2025, we have more than 1,500 patents registered under our name with more than 590 active patents across our business segments.

We expect to continue to file patent applications seeking to protect our innovations in both developed markets and emerging markets. Existing or future patents issued or licensed to us may provide some competitive advantages for our products, however, they may also be challenged, invalidated or circumvented by our competitors. In addition, such patent rights may not prevent our competitors from developing, using or commercializing products that are similar or functionally equivalent to our products.

ESG

As a purpose-driven organization, ESG is at the foundation of what we do and guides our business practices. We aim to look beyond financial metrics and serve patients, customers, shareholders, and the communities in which we operate through our philosophy of 'Unconditional Equity'. This is based on five key pillars: patient equity, people equity, environmental equity, stakeholder equity and social equity. We have set up an ESG and CSR board committee and an ESG steering committee with key members of our leadership team to help drive this strategy and oversee the execution of these initiatives.

Programs include increasing access to our products in low- and middle-income countries, reducing carbon emissions, recycling water, increasing usage of renewable energy, adopting best-in-class governance practices, and increasing diversity in the workplace. We are also a signatory to Ten Principles of the United Nations Global Compact in the areas of human rights, labour, environment, and anti-corruption.

We are committed to minimizing the environmental impact of our business through lowering carbon emissions, optimizing water usage, and reducing waste generation. Incorporating renewable energy technologies to supplement our power needs has driven the efficiency of our production processes and helped lower greenhouse gas ("**GHG**") emissions. We have internal GHG reduction targets as part of our climate strategy, which focuses on managing our carbon emissions and enhancing energy efficiency while building our resilience to climate change risks. We are continuously improving our energy management practices through minimizing environmental impact, reducing costs and enhancing operational efficiency. Our EHS manual highlights the processes established to monitor and review our GHG emissions. Our approach to emissions management includes energy efficiency improvements, renewable energy sourcing and alternate transportation options.

We are also recognized among the Top 5% of the World's Most Sustainable Companies according to S&P Global Assessment with an ESG score improvement from 63 to 69 in 2024. In Fiscal 2024, 70% of our water was recycled or reused, and 80% of the power we consumed in India was from renewable sources. Furthermore, in Fiscal 2024, we managed to reach 28,808 tCO_2e in total GHG emissions reduction (Scope 1 and 2) and 218,758 tCO_2e in total GHG emissions avoided. We have also launched a circular economy waste management plan where materials are reused, recycled, or repurposed, minimizing waste generation, and we are targeting 100% circular waste management by Fiscal 2029. In Fiscal 2024, 79% of waste was disposed through circularity.

In relation to our CSR-related spending, we have spent ₹325 million, ₹315 million, and ₹262 million in the Fiscals 2025, 2024 and 2023, and as of March 31, 2025, we have more than 375,000 beneficiaries of our CSR initiatives.

INSURANCE

We maintain insurance policies on all of our production facilities, including buildings, plants and machinery and inventories, covering fire and other contingencies such as riot, strike, flood, storm, earthquake and other natural and accidental risks (including burglary). We also maintain insurance on products in transit, such as imports, international sales and inland transport. We also maintain global commercial general and product liability insurance for the majority of the products we manufacture.

We also maintain insurance policies, including directors and officers liability insurance (with an extension for employment practices liability insurance), cyber and crime insurance, as well as local policies including workmen compensation, automobile liability, umbrella and fiduciary insurance based on the mandatory requirements in respective geographies. We also maintain group personal accident and group medical insurance for our employees. We do not maintain key man life insurance on our executive officers.

We maintain Public Liability Act insurance in India which covers any third-party bodily injury and property damage claims arising out of business operations. We also maintain pollution legal liability insurance in India covering any third-party claims arising out of pollution in our facilities.

We believe that our insurance coverage is reasonably sufficient to cover all normal risks associated with our operations and is in accordance with industry standards.

COMPETITION

Biosimilars

The global biosimilar market is experiencing a notable surge in competition, fuelled by its inherent attractiveness driven by its size, growth prospects, and the sector's critical role in healthcare. As a result, an influx of companies, ranging from multinational powerhouses to emerging biotech, are entering the fray, intensifying competition as each strives to capture a slice of this lucrative market. This high degree of concentration with established biosimilar companies is attributable to a combination of capacity for manufacturing biosimilars as well as their business strategies, including acquisition, in-licensing, and out-licensing deals to gain rapid access to new product portfolios and global markets (*Source: F&S Report*).

Generics

Our generics products currently compete in the global API and generic formulations markets. The pharmaceutical market witnesses intense competition in the generic formulations space, driven by the sector's large addressable market, sustained demand across chronic and acute indications, and growing cost-containment measures globally. The attractiveness of this space has prompted participation from both established multinational giants and emerging domestic players, particularly from India, which continues to dominate the global generics supply chain. Amid this competitive surge, companies are seeking to differentiate through forward integration, pipeline depth, therapeutic breadth, and regulatory reach (*Source: F&S Report*).

Research

The drug-related research outsourcing industry is competitive, driven by the demand for advanced and cost-effective research and development solutions in the pharmaceutical industry. The market features a myriad of CROs, academic institutions, and specialized research firms. The industry has consolidated and a group of large, full-service competitors has emerged. These larger competitors have a much broader portfolio of business, greater resources and more experience than companies such as Syngene. In addition to competing with a number of global, full-service companies and smaller providers, we also face competition from in-house research and development departments of pharmaceutical and biotechnology companies, as well as universities and teaching hospitals. Newer, smaller entities with specialty focuses, such as those aligned to a specific disease or therapeutic area, compete aggressively for clients.

Fiscal 2025 was a challenging year for the research services industry as a whole as the uncertainty around biotech funding challenges in the U.S. impacted client spend for research services. However, the pandemic and recent geopolitical events highlight the risks associated with relying on a single supply route. As a result, many companies are looking to build resilience in their supply chains by expanding and diversifying their suppliers to mitigate the risks. In addition, the geopolitical shifts are encouraging companies to consider outsourcing to countries like India.

HUMAN RESOURCES

As of March 31, 2025, we had more than 15,600 permanent employees, with 26.78% female participation in the workforce across the three business segments.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion of the consolidated financial condition and results of operations together with the Audited Consolidated Financial Statements. The Audited Consolidated Financial Statements include the historical revenues, expenses and other financial information of the Company together with its subsidiaries, associate and joint ventures (the "**Group**") for the Financial Years 2025, 2024 and 2023. The Audited Consolidated Financial Statements have been prepared in accordance with Ind AS, which differs in certain material respects from Indian GAAP, U.S. GAAP and International Financial Reporting Standards. Accordingly, the degree to which our Audited Consolidated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS.*

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the twelve-month period ended March 31 of that year.

Unless stated or the context requires otherwise, all financial information is presented on a consolidated basis, and such financial information contained in this Preliminary Placement Document as at and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 are derived from the Audited Consolidated Financial Statements.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section titled "Risk Factors" included elsewhere in this Preliminary Placement Document.

Overview

Established in 1978, we are currently one of the leading global biopharmaceuticals companies based in India and have been at the forefront of providing quality and affordable medicines to patients globally across 120 countries (*Source: F&S Report*). Our global footprint spans through 11 manufacturing locations, five R&D facilities and 18 offices located across India, Malaysia, Thailand, the Philippines, UAE, Brazil, United States, Canada, the United Kingdom and various European countries such as Switzerland, Greece, France, Spain, Malta, Morocco, among others, on a consolidated basis as of March 31, 2025.

We classify our business into three broad business segments: (i) Biosimilars, operated through our subsidiary Biocon Biologics Limited, (ii) Generics, operated through Biocon Limited, and (iii) Research, operated through our subsidiary Syngene International. Our three segments together create an end-to-end from-pipeline-to-production and from-discovery-to-commercial supplies, creating a multiplier effect on our business across the three segments. The following shows the total revenues from our three business segments for the years indicated:

Segment	**Fiscal year ended March 31,**					
	2025		**2024**		**2023**	
	(Rs. in millions)	*(%)*	*(Rs. in millions)*	*(%)*	*(Rs. in millions)*	*(%)*
Biosimilars	90,174	57.52%	88,242	58.39%	55,838	48.30%
Research	36,424	23.23%	34,886	23.09%	31,929	27.62%
Generics	30,175	19.25%	27,985	18.52%	27,644	23.91%
Novels*	-	-	-	-	192	0.17%
Inter segment revenue	(4,156)	-	(3,556)	-	(3,861)	-
Revenue from operations	152,617	100.00%	147,557	100.00%	111,742	100.00%
** Since December 2023, we have discontinued our business in relation to Novels.*						

For further information of our organisational structure, please see "*Organisational Structure"* on 424.

Biosimilars

Our Biosimilars segment is housed in our subsidiary Biocon Biologics Limited ("**Biocon Biologics**"). Biocon Biologics is a fully vertically integrated global biosimilars player with a demonstrated track record of success across the entire value chain from R&D to manufacturing and ultimately, to the pricing, marketing, promoting, selling and distribution (collectively, "**Commercialization**") of biosimilars globally. Our focus has been on the diabetes, immunology, and oncology therapeutic areas, which are areas that dominate the global pharmaceutical market in terms of market share (*Source F&S Report*).

Generics

Our Generics business, which started with a fermentation-based, cholesterol lowering statin active pharmaceutical ingredient ("**API**"), currently comprises a growing portfolio of APIs as well as finished dosages. Currently, we have

an API manufacturing capacity of 900MT and a formulations capacity of 880 million oral solid dosages, and we manufacture and serve the global demand for statin and immunosuppressant, among other products in our portfolio.

As of March 31, 2025, we have built our Generic formulations portfolio that comprised more than 80 products and API pipeline comprised more than 75 products, spanning cardiovascular, anti-diabetics, obesity, immunosuppressants and specialty molecules. Across our portfolio of launched and pipeline generic products, 18 of these formulations correspond to the top 100 generic molecules globally by sales, and 17 are classified as blockbuster products, each exceeding US$1 billion (₹86 billion) in annual sales (*Source: F&S Report*).

Research

We provide research services principally through our subsidiary Syngene International Limited ("**Syngene**"). Syngene is a one-stop Contract Research, Development, and Manufacturing Organization ("**CRDMO**") platform that offers a broad range of scientific services from the earliest stages of discovery to commercial supplies. Although its primary focus is on the pharmaceutical sector, Syngene also collaborates with companies in nutrition, animal health, consumer products, and specialty chemicals. Syngene provides end-to-end services as a Contract Research Organization ("**CRO**") and Contract Development and Manufacturing Organization ("**CDMO**") for large and small molecules. Syngene offers different collaboration models ranging from long-term relationships with dedicated R&D facilities to Full-Time Equivalent ("**FTE**") and Fee-for-Service ("**FFS**") arrangements.

Significant Factors Affecting Results of Operations

We believe that the following factors have significantly affected our results of operations and financial condition for the Fiscals 2025, 2024 and 2023, and may continue to affect our results of operations and financial condition in the future.

Products and Services Offered

A significant factor affecting our results of operations is the rapid evolution of the pharmaceutical industry's landscape, which influences the suite of products and services we offer. With decades of experience, we have developed significant expertise in fermentation technology, large scale chromatography and synthetic chemistry. We have also expanded our product portfolio beyond fermentation and synthetic molecules to include peptides and high potent APIs. We have a broad and balanced portfolio of APIs across multiple segments, enabling us to address diverse therapeutic areas and meet unmet medical needs effectively. Our Generics and Biosimilars segments had collectively received more than 215 cGMP approvals from various international regulatory bodies and collectively had global reach in more than 120 countries including the U.S., Europe and emerging markets, as of March 31, 2025.

In the course of our business, we have also consistently focused on early entry across key markets in order to remain competitive, allowing us to achieve many "firsts" in the biosimilars industry, including (*Source: F&S Report*):

Calendar Year	Product
2004	First company globally to develop and commercialize bHuman Insulin.
2014	Launched the world's first biosimilar bTrastuzumab in India.
2016	The first company from India to have a biosimilar approved in Japan.
2017-2024	The first company to get approval from the U.S. FDA for bTrastuzumab in 2017, for bPegfilgrastim in 2018, for interchangeable bGlargine in 2021 and for interchangeable bAflibercept in 2024.
2024	Receipt of one of the first approvals for a generic GLP-1 Liraglutide medicine in the United Kingdom.

In our Generics business, we have particularly received approvals for our GLP-1 Liraglutide in the UK in April 2024, making us one of the first companies to obtain approval for a generic GLP-1 medicine in the United Kingdom (*Source: F&S Report*). As of March 31, 2025, our Generic formulations portfolio comprised more than 80 products and API pipeline comprised more than 75 products, spanning cardiovascular, anti-diabetics, obesity, immunosuppressants and specialty molecules. Furthermore, in our Research business, through our listed subsidiary, Syngene International, we remain to be one of the most scaled CRDMO players in India (*Source: F&S Report*), with a three-pronged strategy across diversified platforms encompassing research services, large molecule CDMO services and small molecule CDMO services.

Manufacturing Capacities

Our results of operations are directly affected by our sales volume, which in turn is a function of several factors, including our production capacity and market demand. As such, a key driver of sales growth is increased production volume at our facilities. As of March 31, 2025, we had 11 manufacturing locations across our three business segments

with four locations in Bengaluru (Karnataka), two locations in Visakhapatnam (Andhra Pradesh), and one each in Hyderabad (Telangana), Mangaluru (Karnataka), Cranbury (New Jersey, United States of America), Baltimore (Maryland, United States of America) and Johor (Malaysia).

Pricing and Government Regulation

Pricing and government regulation are critical factors impacting our operations. While we take competitive conditions—such as the pricing of competing products—into account when setting and revising our product prices, government regulation significantly influences our pricing decisions in many of the countries where we operate. In numerous countries, government policies have increasingly emphasized cost containment, and large customers persistently seek discounts on pharmaceutical products. This pricing pressure has been particularly pronounced in for example, North America, affecting our revenue and profitability in this key market.

While the United States does not have a general national health insurance system, there has been increasing pricing pressure from managed care groups and institutional and governmental purchasers. The enactment of the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act in March 2010 has increased the amount of rebates paid by pharmaceutical companies and continues to have an effect on the prices of certain products, thus potentially adversely affecting the operating income of pharmaceutical companies, although these effects may be offset in part in the medium to long-term by the effects of an increase in individuals covered by healthcare programs, resulting in an increase in demand. The pharmaceutical industry has also experienced significant pricing pressures in other developed markets, such as Europe, Japan, Australia, New Zealand, and in certain other emerging markets.

Ability to Effectively Compete with Other Market Participants

We compete with numerous other companies that currently operate, or intend to operate, in the pharmaceutical industry, including companies that are engaged in the development, manufacturing and distribution of biosimilars and generic products, and companies that are engaged in the research services industry. Companies in these industries are employing diverse strategies to succeed amid increased competition, price erosion and an evolving regulatory environment. However, we believe that our operating model, which features end-to-end capabilities, a comprehensive portfolio, our R&D capabilities and a strategy of being the early entrants into the market, provides us with a competitive advantage.

For more information on our competitors, see "*Business—Competition*".

Material Accounting Policies

The consolidated financial statements have been prepared using the material accounting policy information and measurement bases summarized below. These were used throughout all periods presented in the consolidated financial statements.

Basis of preparation of financial statements

Statement of compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the "**Act**") and other relevant provisions of the Act.

These consolidated financial statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2025.

The Group has a net current asset position of ₹19,524 million as at March 31, 2025. The Group has assessed its financial position as at March 31, 2025, and its forecasts for a period of fifteen months from the date of these financial statements. As part of this assessment, Management has considered the Put option obligation entered by the Group with certain financial investors to provide exit to the investors as described in Note 16(a) to the consolidated financial statements for year ended March 31, 2025.

Management has assessed its ability to re-negotiate the exit terms with financial investors, ability to raise funds as stated in Note 48 (d) to the consolidated financial statements for year ended March 31, 2025, re-finance its existing borrowings and support liquidity from its non-current assets. Based on these factors, management believes that the Group has sufficient financial resources available to it at the date of approval of these financial statements and has prepared its financial statements under going concern assumptions. These consolidated financial statements are approved for issuance by the Company's Board of Directors on May 8, 2025.

Details of the Group's significant accounting policies are mentioned below.

Functional and presentation currency

These consolidated financial statements are presented in Indian rupees (₹), which is also the functional currency of the parent Company. All amounts have been rounded off to the nearest million, unless otherwise indicated. In respect of subsidiaries and associates whose operations are self-contained and integrated, the functional currency has been determined to be the currency of the primary economic environment in which the entity operates.

Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis (i.e. on accrual basis), except for the following items:

- Derivative Financial Instruments at fair value.
- Certain financial assets and liabilities are measured at fair value.
- Net defined benefit assets / (liability) are measured at fair value of plan assets, less present value of defined benefit obligations.
- Contingent consideration assumed in a business combination at fair value.
- Non-Convertible Debentures with variable coupon linked to equity shares of the subsidiary at fair value.
- Non derivative financial instruments at Fair Value Through Profit and Loss ("**FVTPL**").

Use of estimates and judgements

The preparation of the consolidated 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 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 financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Judgements

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

- Note 1.2(b) — Assessment of functional currency;
- Note 2(c) and 36 — Financial instruments;
- Note 2(d), 2(e) and 3 — Useful lives of property, plant and equipment and other intangible assets;
- Note 2(j) and 35 — measurement of defined benefit obligation; key actuarial assumptions;
- Note 30 — Share based payments;
- Note 2(n), 7 and 38 — Provision for income taxes and related tax contingencies and evaluation of recoverability of deferred tax assets;
- Note 2(l) and 21 — Revenue Recognition: whether revenue from sale of product and licensing income is recognized over time or at a point in time; and
- Note 16 — Liability on written put options.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2025, is included in the following notes:

- Note 2(i) – impairment test of non-financial assets; key assumptions underlying recoverable amounts including the recoverability of expenditure on internally-generated intangible assets;
- Note 2(n), 7 and 38 – recognition of deferred tax assets: uncertain tax treatment;
- Note 2(l) and 21 - Revenue Recognition; estimate of expected returns, chargebacks, rebates and other allowances;

- Note 17 and 34– recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 2(j) and 35 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 36 – impairment of financial assets : underlying recoverable amount;
- Note 2(i) and 43 - impairment test of goodwill: key assumptions underlying recoverable amounts, including the recoverability of development costs; and
- Note 42 - acquisition of business: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis.

Measurement of fair values

A number of the Group'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).

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group 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 Group 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 30 – Share-based payment arrangements.
- Note 36 – Financial instruments.
- Note 42 – Business Combination.

Basis of Consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the Group are consolidated on line-by-line basis. Intra-group transactions, balances and any unrealised gains arising from intra-group transactions, are eliminated. Unrealised losses are eliminated, but only to the extent that there is no evidence of impairment. All temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions are recognised as per Ind AS 12, Income Taxes.

For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

*Non-controlling interests ("**NCI**")*

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the statement of profit or loss.

Associates and joint arrangements (equity accounted investees)

The Group's interests in equity accounted investees comprise interests in associates and a joint venture.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income ("**OCI**") of equity - accounted investees until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Foreign currency

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 the statement of profit or loss, except exchange differences arising from the translation of the qualifying cash flow hedges to the extent that the hedges are effective which are recognised in OCI.

Foreign operations

The assets and liabilities of foreign operations (subsidiaries, associates, joint arrangements) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR 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.

Foreign currency translation differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

Financial instruments

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 Group 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.

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;
- Fair value through other comprehensive income – equity investment; or
- Fair value through profit and loss

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group 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
- 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 Group 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 Group 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: Subsequent measurement and gains and losses

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 the statement of profit or loss. However, see Note 36 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 recognized in the statement of profit or loss. Any gain or loss on derecognition is recognised in the statement of profit or 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 the 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 the statement of profit or 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 profit or 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 the statement of profit or 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 the statement of profit or loss. Any gain or loss on derecognition is also recognised in the statement of profit or loss.

De-recognition of financial instruments

Financial assets

The Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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

Financial liabilities

The Group de-recognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also de-recognises 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 the statement of profit or loss.

Offsetting

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

Derivative financial instruments and hedge accounting

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

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

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

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

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is 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 the 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 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.

Treasury shares

The Group has created an Employee Welfare Trust ("**EWT**") for providing share-based payment to its employees. Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. When the treasury shares are issued to the employees by EWT, the amount received is recognised as an increase in equity and the resultant gain / (loss) is transferred to / from securities premium.

Cash and cash equivalents

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

Cash dividend to equity holders

The Group 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 Group. 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.

Property, plant and equipment

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 comprises its purchase price including import duty and non-refundable taxes or levies, any other costs 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.

Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised.

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 the statement of profit or loss.

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

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

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 Group 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	**Asset Classification**	**Management estimate of useful life**	**Useful life as per Schedule II**
Building	Building	25-30 years	30 years

Roads	Building	5-12 years	5 years
Plant and equipment (including Electrical installation and Lab equipment)	Plant and Machinery	9-15 years	8-20 years
Computers and servers	Plant and Machinery	3 years	3-6 years
Office equipment	Plant and Machinery	3- 5 years	5 years
Research and development equipment	Research and development equipment	9 years	5-10 years
Furniture and fixtures	Furniture and fixtures	6 years	10 years
Vehicles	Vehicles	6 years	6-10 years
Leasehold improvement	Leasehold improvements	5 years or lease period whichever is lower	
Leasehold land	Land	90 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).

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.

Goodwill and other intangible assets

Goodwill

For measurement of goodwill that arises on a business combination. Subsequent measurement is at cost less any accumulated impairment losses.

Other intangible assets

Internally generated: Research and development

Expenditure on research activities is recognised in the statement of profit or 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 Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in the statement of profit or 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 amortization and any accumulated impairment losses.

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 the statement of profit or loss as incurred and cost can be measured reliably.

Amortisation

Goodwill is not amortised and is tested for impairment annually.

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

- Computer software - 3-5 years.
- Marketing and Manufacturing rights - 8-15 years.

- Developed technology rights - 8-15 years.
- Brands - 8-15 years.
- Customer related intangibles - 5 years.

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

Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Based on technical evaluation and consequent advice, the management believes a period of 25 years as representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Group depreciates investment properties over a period of 25 years on a straight-line basis. The useful life estimate of 25 years is different from the indicative useful life of relevant type of buildings mentioned in Part C of Schedule II to the Act i.e. 30 years.

Any gain or loss on disposal of an investment property is recognised in the statement of profit or loss.

Business combination

In accordance with Ind AS 103, Business combinations, the Group accounts for business combinations after acquisition date using the acquisition method when control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred in the acquisition is generally measured at fair value as at the date the control is acquired (acquisition date), as are the identifiable net assets acquired. Any gain on a bargain purchase is recognised in the OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, then gain on a bargain purchase is recognised directly in equity as capital reserve.

Transaction costs / acquisition related costs are expensed as incurred and services are received, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the statement of profit and loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration (or right to receive excess contingent consideration transferred) that meets the definition of a financial instrument is classified as equity, then it is not re-measured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group reports in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Group retrospectively adjusts the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

During the measurement period, the Group also recognizes additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date.

The measurement period ends as soon as the Group receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable but does not exceed one year from the acquisition date.

Business combinations – common control transaction

Business combination involving entities that are controlled by the group is accounted for at carrying value. No adjustments are made to reflect the fair values or recognise any new assets or liabilities except to harmonise accounting policies. The financial information in the consolidated financial statements in respect of prior periods is restated as if

the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of combination. The identity of the reserves are preserved and the reserves of transferor becomes the reserves of the transferee. The difference, if any between the amounts recorded as share capital issued plus any additional consideration in the form of cash and the amounts of share capital of the transferor is transferred to amalgamation adjustment reserves and is presented separately from other capital reserves.

Inventories

Inventories are measured at the lower of cost and net realizable 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.

Provisions are made towards slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which consideration of product lines and market conditions.

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, 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.

Impairment

Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Group 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. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

Impairment of non-financial assets

The Group assesses 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 CGU exceeds its estimated recoverable amount in the statement of profit or loss.

Goodwill is tested annually for impairment. For the purpose of impairment testing, goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

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 Group's non-financial 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 Group of CGUs) on a pro rata basis.

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

Employee benefits

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 recognized as expenses in the period in which the employee renders the related service and measured accordingly.

Post- employment benefits

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

Gratuity

The Group provides for gratuity, a defined benefit plan ("**the Gratuity Plan**") covering the eligible employees of the Company and its Indian subsidiaries. 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 Group.

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 Group 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 recognized in other comprehensive income and are not reclassified to 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.

Provident Fund

Eligible employees of the Company and its Indian subsidiaries receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the respective Companies 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 in a government administered provident fund. The Companies have no further obligation to the plan beyond its monthly contributions.

Compensated absences

The Group 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.

Share-based compensation

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee 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 Group is recognised as an employee expense.

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 "share based payment 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 (Black-Scholes-Merton). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.

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 Group 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 Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the 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 Group recognises any impairment loss on the assets associated with that contract.

Revenue from contracts with customers

The Group has implemented new standard Ind-AS 115 ‘Revenue from Contracts with Customers’ effective April 1, 2018, using cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application. The Group has evaluated its open arrangements on out-licensing with reference to upfront non-refundable fees received in earlier periods and concluded that some of the performance obligations may not be distinct and hence would need to be bundled with the subsequent product supply obligations. Accordingly, the standard is applied retrospectively only to contracts that were not completed as at the date of initial application.

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 recognized (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.

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

Provision for chargeback, rebates and discounts

Revenues are recorded net of provisions for variable consideration, including discounts, rebates, governmental rebate programs, price adjustments, returns, chargebacks, promotional programs and other sales allowances. Accruals for these provisions are presented in the consolidated financial statements as reductions in determining net sales and as a contra asset in accounts receivable, net (if settled via credit) and trade payables (if paid in cash).

Provisions for chargeback, rebates, discounts and Medicaid payments are estimated and provided for in the year of sales and recorded as reduction of revenue. A chargeback claim is a claim made by the wholesalers for the difference between the price at which the product is initially invoiced to the wholesaler and the net price at which it is agreed to be procured from the Company. Provisions for such chargebacks are accrued and estimated based on historical average chargeback rate actually claimed over a period of time, current contract prices with wholesalers/other customers and estimated inventory holding by the wholesalers/other customers.

Amounts recorded for revenue deductions can result from a complex series of judgements about future events and uncertainties and can rely heavily on estimates and assumptions.

Milestone payments and out licensing arrangements

The Group 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 Group 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 of 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 be 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 underlying sales are incurred.

The Group recognises a deferred income (contract liability) if consideration has been received (or has become receivable) before the Group 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 Group 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.

Contract research and manufacturing services income

Revenue is recognised upon transfer of control of promised services or compounds to customers in an amount that reflects the consideration we expect to receive in exchange for those services or compounds.

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

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

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

In respect of contracts involving sale of compounds arising out of contract research, revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment to the customer. The amount of revenue to be recognized (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. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

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

Royalty income and profit share

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

Sales Return Allowances

The Group 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 the Group's estimate of expected sales returns. The estimate of sales return is determined primarily by the Group's historical experience in the markets in which the Group operates.

Dividends

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

Rental income

Rental income from investment property is recognised in the statement of profit or loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

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 Group capitalises the gross cost of these assets as the Group controls these assets.

Interest income and expense

Interest income or expense is recognised using the effective interest method.

Government grants

The Group recognizes 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 amortized 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.

Income taxes

Income tax comprises of current and deferred income tax. Income tax expense is recognised in the statement of profit or 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. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

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 or simultaneously.

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the 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 Group 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 realized.

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 utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future. The Group 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.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

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.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per 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.

Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairperson and Managing Director of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the Chief Operating Decision Maker ("**CODM**"). All operating segments' operating results are reviewed regularly by the CODM to make decisions about resources to be allocated to the segments and assess their performance.

Leases

The Group as lessee:

The Group 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 assesses whether a contract conveys the right to control use of an identified asset, the Group assesses whether:

- The contract involves use of an identified asset;
- The Group has substantially all the economic benefits from the use of the asset through the period of lease; and
- The Group has the right to direct the use of an asset.

At the date of commencement of lease, the Group recognizes 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 Group 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 Group 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.

The Group as a Lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating lease.

Operating cycle

The Group 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 an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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 Group's normal operating cycle is twelve months.

Exceptional items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities 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 Group.

Recent pronouncements

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

Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Principal Components of the Audited Consolidated Statement of Profit and Loss

Total Income

Our income consists of revenue from operations and other income.

Revenue from operations

Revenue from operations primarily comprises income from (i) sale of products, (ii) sale of services; and (iii) other operating revenue.

The following table sets forth a breakdown of our revenue from operations for the years indicated.

Particulars	For the Financial Year ended March 31,					
	2025		*2024*		*2023*	
	(In ₹ millions)	*(%)*	*(In ₹ millions)*	*(%)*	*(In ₹ millions)*	*(%)*
Sale of products	115,378	70.05	105,880	67.78	76,445	66.19
Sale of services						
Contract research and manufacturing services income	34,802	21.13	34,150	21.86	30,839	26.70
Licensing and development fees	342	0.21	1,928	1.23	2,057	1.78
Other operating revenue						
Sale of process waste	439	0.27	448	0.29	379	0.33
Incentives from government....	507	0.31	525	0.34	999	0.86
Sale of brands	-	-	3,500	2.24	-	-
Others	1,149	0.70	1,126	0.72	1,023	0.89
Revenue from operations	**152,617**	**92.66**	**147,557**	**94.46**	**111,742**	**96.75**
Other income	12,082	7.34	8,655	5.54	3,759	3.25
Total income.....	**164,699**	**100.00**	**156,212**	**100.00**	**115,501**	**100.00**

Other income

Other income primarily consists of (i) interest income on deposits with banks and financial institutions; (ii) interest income on others; (iii) dividend income; (iv) net gain on sale of current investments; (v) net gain on financial assets measured at fair value through profit or loss; (vi) gain on dilution of interest in an associate; (vii) Sale of business (net); (viii) gain on loss of significant influence; and (ix) other non-operating income.

Expenses

Our total expenses include (i) cost of materials consumed; (ii) purchases of stock-in-trade; (iii) changes in inventories of finished goods, work-in-progress and stock-in-trade; (iv) employee benefits expense; (v) finance costs; (vi) depreciation and amortisation expense; and (vii) other expenses. Our total expenses are also adjusted for recovery of cost from co-development partners (net).

Cost of materials consumed

Cost of materials consumed include cost of raw materials and packing materials in our product supplies in the business segments of Generics, Biosimilars and Research.

Generics business comprises portfolio of Active Pharmaceutical Ingredients (APIs) comprising therapeutic areas like Cardiovascular, Anti-Diabetics, Weight Management, Immunosuppressants, Oncology, Neurology and few specialty and niche molecules as well as Generic Formulations in finished dosages forms comprising therapeutic areas of Diabetes, Cariology, Oncology, Immunology, Auto-immune indications and Obesity.

Biosimilars business comprises portfolio of insulins, monoclonal antibodies and recombinant proteins addressing to therapeutic areas of Diabetes, Oncology and Immunology that are commercialized in global markets.

Research business comprises discovery, development and manufacturing services in Large molecule and Small molecule together with allied services of analytical, stability, clinical development, safety assessment, scale-up.

Purchases of stock-in-trade

Purchases of stock-in-trade comprise of purchases primarily in Biosimilars business in finished dosages forms that are commercialized in global markets.

Changes in inventories of finished goods, work-in-progress and stock-in-trade

Changes in inventories of finished goods, work-in-progress and stock-in-trade represent changes in inventories over the period.

Employee benefits expenses

Employee benefits expenses primarily comprise (i) salaries, wages and bonus, (ii) contribution towards provident and other funds, (iii) gratuity, (iv) share-based compensation expense, and (v) staff welfare expenses.

Finance costs

Finance costs primarily comprise (i) interest expense on financial liabilities measured at amortised cost, (ii) interest expense on financial liability measured at FVTPL, (iii) other finance costs and (iv) interest on finance lease liabilities.

Depreciation and amortisation expense

Depreciation and amortisation expense include depreciation on property, plant and equipment, amortisation of intangible assets and depreciation of right of use assets.

Other expenses

Other expenses include rent, travelling and conveyance, professional charges, Transition Support Agreement ("**TSA**"), expense, power and fuel, repairs and maintenance, research and development expense and miscellaneous and other expenses. Key components of our other expenses are explained below:

- Transition Support Agreement expense – expenses paid to Viatris Inc. ("**Viatris**") under an agreement dated November 29, 2022, entered into between our subsidiary Biocon Biologics Limited ("**BBL**") and Viatris in exchange for commercial and other transition services being provided by Viatris to ensure continuity of customer service until BBL's acquisition of Viatris' biologics business is complete.

- Research and development expenses includes development spendings towards a pipeline of products across global markets for both generics and biosimilars business. Expenses include spendings incurred towards development, personnel, clinical study/trials, testing, regulatory filing and others.

- Professional charges include expenses incurred towards digitization initiatives, cost improvement initiatives, integration of acquired Viatris' Biosimilars business, audit and compliances, consulting and legal services.

- Repairs and maintenance of plant and machinery – expenses incurred towards maintenance of our manufacturing facilities across business segments in Bengaluru, Hyderabad, Vizag, Mangalore, Chennai locations based out of India, Johor facility in Malaysia and Cranbury facility in the United States.

- Generics business also had new plant capitalizations of Vizag fermentation capacity expansion, Peptide API facility and Cranbury Oral Solid Dosage facility in New Jersey in Fiscal 2025, Vizag Immunomycin facility in Fiscal 2024. Biosimilars business had new plant capitalisation of B5 and Malaysia facility expansion in Fiscal 2025, intangibles on acquired Viatris biosimilar business and monoclonal antibodies ('mAbs' or 'B3') facility in Fiscal 2023. Research had expansion across its business segments.

- Sales promotion expenses include spends towards sales and marketing activities, new business initiatives, building strong commercial capabilities, conferences, etc.

Results of Operations

The following table sets forth certain information with respect to our results of operations for the years indicated:

	Financial Year ended March 31,					
	2025		2024		2023	
Particulars	*(In ₹ millions)*	*(%) of total income*	*(In ₹ millions)*	*(%) of total income*	*(In ₹ millions)*	*(%) of total income*
Income						
Revenue from operations	152,617	92.66	147,557	94.46	111,742	96.75
Other income	12,082	7.34	8,655	5.54	3,759	3.25
Total income	**164,699**	**100.00**	**156,212**	**100.00**	**115,501**	**100**
Expenses						
Cost of materials consumed	42,767	25.97	50,719	32.47	31,911	27.63
Purchases of stock-in-trade	6,266	3.80	6,827	4.37	6,261	5.42
Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,942	1.79	(8,567)	(5.48)	(1,541)	(1.33)
Employee benefits expense	31,444	19.09	26,641	17.05	21,810	18.88
Finance costs	8,974	5.45	9,744	6.24	4,190	3.63
Depreciation and amortisation expense	16,870	10.24	15,688	10.04	11,131	9.64
Other expenses	39,011	23.69	39,788	25.47	32,106	27.8
	148,274	**90.03**	**140,840**	**90.16**	**105,868**	**91.66**
Less: Recovery of cost from co-development partners (net)	(1,476)	(0.90)	(838)	(0.54)	(3,922)	(3.40)
Total expenses	**146,798**	**89.13**	**140,002**	**89.62**	**101,946**	**88.26**

Particulars	Financial Year ended March 31,					
	2025		2024		2023	
	(In ₹ millions)	*(%) of total income*	*(In ₹ millions)*	*(%) of total income*	*(In ₹ millions)*	*(%) of total income*
Profit before tax, share of profit / (loss) of joint venture and associates and exceptional items	**17,901**	**10.87**	**16,210**	**10.38**	**13,555**	**11.74**
Share of loss of joint venture and associates, net	-	-	(842)	(0.54)	(1,670)	(1.45)
Profit before tax and exceptional items	**17,901**	**10.87**	**15,368**	**9.84**	**11,885**	**10.29**
Exceptional items, net	965	0.59	(116)	(0.07)	(2,914)	(2.52)
Profit before tax	**18,866**	**11.45**	**15,252**	**9.76**	**8,971**	**7.77**
Tax expense						
Current tax	3,693	2.24	3,143	2.01	2,462	2.13
Deferred tax	879	0.53	(869)	(0.56)	79	0.07
Total tax expense	**4,572**	**2.77**	**2,274**	**1.45**	**2,541**	**2.20**
Profit for the year	**14,294**	**8.68**	**12,978**	**8.31**	**6,430**	**5.57**
Other comprehensive income ("OCI")						
(A) (i) Items that will not be reclassified subsequently to profit or loss						
Re-measurement on defined benefit plans	(64)	(0.04)	(81)	(0.05)	38	0.03
Equity instruments through OCI	(84)	(0.05)	217	0.14	(460)	(0.40)
(ii) Income tax relating to items that will not be reclassified to profit or loss	(26)	(0.02)	30	0.02	24	0.02
(B) (i) Items that will be reclassified to profit or loss						
Effective portion of gains/ (losses) on hedging instrument in cash flow hedges	(1,622)	(0.98)	2,887	1.85	(1,090)	(0.94)
Exchange difference on translation of foreign operations, including effective portion of net investment hedges	5,692	3,46	1,509	0.97	1,975	1.71
(ii) Income tax relating to items that will be reclassified to profit or loss	471	0.29	(695)	(0.44)	279	0.24
Other comprehensive income for the year, net of taxes	**4,367**	**2.65**	**3,867**	**2.47**	**766**	**0.66**
Total comprehensive income for the year	**18,661**	**11.33**	**16,845**	**10.78**	**7,196**	**6.23**
Profit attributable to:						
Shareholders of the Company	10,133	6.15	10,225	6.55	4,627	4.01
Non-controlling interests	4,161	2.53	2,753	1.76	1,803	1.56
Profit for the year	**14,294**	**8.68**	**12,978**	**8.31**	**6,430**	**5.57**
Other comprehensive income attributable to:						
Shareholders of the Company	3,563	2.16	2,688	1.72	1,138	0.99
Non-controlling interests	804	0.49	1,179	0.75	(372)	(0.32)
Other comprehensive income for the year	**4,367**	**2.65**	**3,867**	**2.48**	**766**	**0.66**
Total comprehensive income for the year	**18,661**	**11.33**	**16,845**	**10.78**	**7,196**	**6.23**
Earnings per equity share (Face value of Rs. 5 each)						
Basic (in Rs.)	8.46		8.55		3.88	
Diluted (in Rs.)	8.46		8.54		3.87	

Financial Year 2025 Compared to Financial Year 2024

Key Developments

Our operations in Fiscal 2025 were impacted by:

- We sold our business in relation to metabolics, oncology and critical care products in India to Eris Lifesciences for a consideration of ₹12,420 million, and then signed an agreement with a 10-year validity with Eris Lifesciences, which resulted in a gain of ₹10,573 million.

- New plant capitalizations, namely the peptide API facility, the Vizag fermentation capacity expansion, Cranbury OSD facility in the U.S. for Generics business and B5 facility for Biosimilars business.

For further information, see "*2025 Audited Consolidated Financial Statements: Note 42B and 42C – Acquisition through Slump Sale*" and "*2025 Audited Consolidated Financial Statements: Note 21*" on pages 336 and 305.

Income

Our total income increased by ₹8,487 million, or 5.43%, to ₹164,699 million for the Financial Year 2025 from ₹156,212 million for the Financial Year 2024, due to increases in our revenue from operations.

Revenue from operations

Revenue from operations increased by ₹5,060 million, or 3.43%, to ₹152,617 million for the Financial Year 2025 from ₹147,557 million for the Financial Year 2024. Revenue from operations represented 94.46% and 92.66% of our total income for the Financial Years 2024 and 2025, respectively. The increase in revenue from operations was primarily attributable to the following:

- *Sale of products:*

Sale of products increased by ₹9,498 million, or 8.97%, to ₹115,378 million for the Financial Year 2025 from ₹105,880 million for the Financial Year 2024. This is driven by higher volumes in existing products and revenues from new product launches in US, EU and the Emerging Markets. Sale of products represented 67.78% and 70.05% of our total income for the Financial Years 2024 and 2025, respectively.

- *Sale of services:*

  i. *Contract research and manufacturing services income.* Contract research and manufacturing services income increased by ₹652 million, or 1.91%, to ₹34,802 million for the Financial Year 2025 from ₹34,150 million for the Financial Year 2024, primarily on increase in the large molecule biologics business revenue and recovery in discovery services during second half of the year with improvement in sectoral downturn in US biotech funding seen in the first half of the year. Contract research and manufacturing services income represented 21.86% and 21.13% of our total income for the Financial Years 2024 and 2025, respectively.

  ii. *Licensing and development fees.* Income from licensing and development fees decreased by ₹1,586 million, or 82.26%, to ₹342 million for the Financial Year 2025 from ₹1,928 million for the Financial Year 2024. Income from licensing and development fees represented 1.23% and 0.21% of our total income for the Financial Years 2024 and 2025, respectively.

- *Other operating revenue:*

Other operating revenue decreased by ₹3,504 million, or 62.58%, to ₹2,095 million for the Financial Year 2025 from ₹5,599 million for the Financial Year 2024 primarily due to income from sale of brands in Financial Year 2024 for ₹3,500 million.

Other income

Other income increased by ₹3,427 million, or 39.60%, to ₹12,082 million for the Financial Year 2025 from ₹8,655 million for the Financial Year 2024. Other income represented 5.54% and 7.34% of our total income for the Financial Years 2024 and 2025, respectively.

The increase in other income was primarily attributable to sale of business to Eris Lifesciences resulting in gain of ₹10,573 million in Financial Year 2025 compared with gain on loss of significant influence and gain on dilution of interest in an associate amounting to ₹5,307 million and net gain on financial assets measured at fair value through profit or loss of ₹1,015 million for the Financial Year 2024.

Expenses

Our total expenses increased by ₹6,796 million, or 4.85%, to ₹146,798 million for the Financial Year 2025 from ₹140,002 million for the Financial Year 2024. Our total expenses represented 89.62% and 89.13% of our total income for the Financial Years 2024 and 2025, respectively.

The increase in our total expenses was primarily attributable to increases in: (i) Changes in inventories of finished goods, work-in-progress and stock-in-trade ; (ii) employee benefits expense; and (iii) depreciation and amortization expense. Our total expenses were partially offset by our net recovery of cost from co-development partners.

Cost of material consumed, purchases of stock-in-trade and changes in inventories of finished goods, work-in-progress and stock-in-trade increased by ₹2,996 million, or 6.12%, to ₹51,975 million for the Financial Year 2025 from ₹48,979 million for the Financial Year 2024. Cost of material consumed, purchases of stock-in-trade and changes in inventories of finished goods, work-in-progress and stock-in-trade represented 31.36% and 31.56% of our total income for the Financial Years 2024 and 2025, respectively.

Employee benefits expenses

Employee benefits expense increased by ₹4,803 million, or 18.03%, to ₹31,444 million for the Financial Year 2025 from ₹26,641 million for the Financial Year 2024, primarily due to increase in head count on transition from Viatris (with corresponding decline in Viatris transition services under other expenses), new facilities moving to operational phase and annual increments. Employee benefits expense represented 17.05% and 19.09% of our total income for the Financial Years 2024 and 2025, respectively.

Finance costs

Finance costs decreased by ₹770 million, or 7.90%, to ₹8,974 million for the Financial Year 2025 from ₹9,744 million for the Financial Year 2024, primarily due to debt reduction in Financial Year 2024. Finance costs represented 6.24% and 5.45% of our total income for the Financial Years 2024 and 2025, respectively.

Depreciation and amortisation expense

Depreciation and amortisation expense increased by ₹1,182 million, or 7.53%, to ₹16,870 million for the Financial Year 2025 from ₹15,688 million for the Financial Year 2024, primarily due to new facility capitalisation across the Generics and Biosimilars businesses and amortization of intangibles on new product launches in the Biosimilars business. Depreciation and amortisation expense represented 10.04% and 10.24% of our total income for the Financial Years 2024 and 2025, respectively.

Other expenses

Other expenses decreased by ₹777 million, or 1.95%, to ₹39,011 million for the Financial Year 2025 from ₹39,788 million for the Financial Year 2024. Other expenses represented 25.47% and 23.69% of our total income for the Financial Years 2024 and 2025, respectively. The decrease in other expenses was primarily attributable to movement of Viatris transition services to employee benefits expenses.

Net recovery of cost from co-development partners

Net recovery of cost from co-development partners increased by ₹638 million, or 76.13%, to ₹1,476 million for the Financial Year 2025 from ₹838 million for the Financial Year 2024 as a result of programmes that are co-developed with partners. Net recovery of cost from co-development partners represented 0.54% and 0.90% of our total income for the Financial Years 2024 and 2025, respectively.

Profit before tax

As a result of the foregoing, our profit before tax increased by ₹3,614 million, or 23.70%, to ₹18,866 million for the Financial Year 2025 from ₹15,252 million for the Financial Year 2024.

Total tax expenses

Our total tax expense increased by ₹2,298 million, or 101.06%, to ₹4,572 million for the Financial Year 2025 from ₹2,274 million for the Financial Year 2024, primarily due to higher effective tax rate ("**ETR**") in the Biosimilars business arising on sale of business and profit mix among various geographies in Financial Year 2025, lower ETR benefit in Research business on favourable tax orders in Financial Year 2024 and higher ETR in the Generics business arising on removal of indexation benefit on Land in The Finance Act, 2024.

Profit for the year

As a result of the foregoing, our profit for the year increased by ₹1,316 million, or 10.14%, to ₹14,294 million for the Financial Year 2025 from ₹12,978 million for the Financial Year 2024.

Other comprehensive income for the year, net of taxes

Oher comprehensive income for the year, net of taxes increased by ₹500 million, or 12.93%, to ₹4,367 million for the Financial Year 2025 from ₹3,867 million for the Financial Year 2024.

Total comprehensive income for the year

As a result of the foregoing, total comprehensive income for the year increased by ₹1,816 million, or 10.78%, to ₹18,661 million for the Financial Year 2025 from ₹16,845 million for the Financial Year 2024.

Financial Year 2024 Compared to Financial Year 2023

Key Developments

Our operations in Fiscal 2024 were impacted by:

- On November 29, 2022, BBL acquired control of Viatris' biosimilars business. BBL had entered into a definitive agreement on February 27, 2022, with Viatris to acquire Viatris' biosimilars business at a total consideration of ₹247,255 million, including cash of ₹156,645 million and Compulsorily Convertible Preference Shares ("**CCPS"**)

in BBL of ₹82,181 million. As a result of the CCPS, our Company's stake in BBL is diluted by approximately 14%. The acquired business had been consolidated with effect from November 29, 2022. Consequently, incremental revenues and profits post-acquisition are reflected in the results for the Financial Year 2024.

- In Fiscal 2024, the sale of our branded generic immunotherapy and nephrology small molecule formulations being manufactured by third parties under manufacturing arrangements and the in-licensed product in India for a consideration of ₹3,660 million resulting in a gain of ₹3,500 million net of costs of the related underlying assets.

For further information, see "*2024 Audited Consolidated Financial Statements: Note 42A- Business Combination*" and "*2024 Audited Consolidated Financial Statements: Note 42B – Acquisition through Slump Sale*" on pages 254 and 255 respectively.

Income

Our total income increased by ₹40,711 million, or 35.25%, to ₹156,212 million for the Financial Year 2024 from ₹115,501 million for the Financial Year 2023, driven primarily by increases in our revenue from operations.

Revenue from operations

Revenue from operations increased by ₹35,815 million, or 32.05%, to ₹147,557 million for the Financial Year 2024 from ₹111,742 million for the Financial Year 2023. Revenue from operations represented 96.75% and 94.46% of our total income for the Financial Years 2023 and 2024, respectively. The increase in revenue from operations was primarily attributable to the following:

- *Sale of products:*

Sale of products increased by ₹29,435 million, or 38.50%, to ₹105,880 million for the Financial Year 2024 from ₹76,445 million for the Financial Year 2023, primarily due to Viatris biosimilar acquisition effective from the consummation date representing a fully integrated enterprise and increase in market shares of products in the US, EU and Emerging Markets. Sale of products represented 66.19% and 67.78% of our total income for the Financial Years 2023 and 2024, respectively.

- *Sale of services:*

  i. *Contract research and manufacturing services income.* Contract research and manufacturing services income increased by ₹3,311 million, or 10.74%, to ₹34,150 million for the Financial Year 2024 from ₹30,839 million for the Financial Year 2023, primarily due to strong performance in the CDMO business and further orders from existing clients reflecting high service levels and sustained on-time delivery. Contract research and manufacturing services income represented 26.70% and 21.86% of our total income for the Financial Years 2023 and 2024, respectively.

  ii. *Licensing and development fees.* Income from licensing and development fees decreased by ₹129 million, or 6.27%, to ₹1,928 million for the Financial Year 2024 from ₹2,057 million for the Financial Year 2023. Income from licensing and development fees represented 1.78% and 1.23% of our total income for the Financial Years 2023 and 2024, respectively.

- *Other operating revenue:*

Other operating revenue increased by ₹3,198 million to ₹5,599 million for the Financial Year 2024 from ₹2,401 million for the Financial Year 2023 primarily due to sale of brands amounting to ₹3,500 million for the Financial Year 2024, on account of sales of BBL's commercialization business to Eris Lifesciences Limited for branded generic immunotherapy and nephrology small molecules formulations and in-licensed products in India. The sale was made at a consideration of ₹3,660 million with a recorded gain of ₹3,500 million net of costs of the related underlying assets.

Other income

Other income increased by ₹4,896 million, or 130.25%, to ₹8,655 million for the Financial Year 2024 from ₹3,759 million for the Financial Year 2023. Other income represented 3.25% and 5.54% of our total income for the Financial Years 2023 and 2024, respectively.

The increase in other income was primarily attributable to gain on loss of significant influence in an associate. Gain on loss of significant influence was ₹4,254 million for the Financial Year 2024. Gain on loss of significant influence represented 0.00% and 2.72% of our total income for the Financial Years 2023 and 2024, respectively.

Expenses

Our expenses increased by ₹38,056 million, or 37.33%, to ₹140,002 million for the Financial Year 2024 from ₹101,946 million for the Financial Year 2023. Our expenses represented 88.26% and 89.62% of our total income for the Financial Years 2023 and 2024, respectively.

The increase in our expenses was primarily attributable to increases in: (i) cost of materials consumed; (ii) purchases of stock-in-trade; (iii) employee benefits expense; (iv) finance costs; (v) depreciation and amortization expense; and (vi) other expenses. Our expenses were slightly offset by a decrease in changes in inventories of finished goods, work-in-progress and stock-in-trade and our net recovery of cost from co-development partners.

Cost of material consumed, purchases of stock-in-trade and changes in inventories of finished goods, work-in-progress and stock-in-trade increased by ₹12,348 million, or 33.71%, to ₹48,979 million for the Financial Year 2024 from ₹36,631 million for the Financial Year 2023. Cost of material consumed, purchases of stock-in-trade and changes in inventories of finished goods, work-in-progress and stock-in-trade represented 31.72% and 31.36% of our total income for the Financial Years 2023 and 2024, respectively.

Employee benefits expenses

Employee benefits expense increased by ₹4,831 million, or 22.15%, to ₹26,641 million for the Financial Year 2024 from ₹21,810 million for the Financial Year 2023, primarily due to increase in salaries, wages and bonus by ₹4,924 million, or 26.93% due to increase in head count on phased transition from Viatris (with corresponding decline in Viatris transition services under other expenses), business growth and annual increments. Employee benefits expense represented 18.88% and 17.05% of our total income for the Financial Years 2023 and 2024, respectively.

Finance costs

Finance costs increased by ₹5,554 million, or 132.55%, to ₹9,744 million for the Financial Year 2024 from ₹4,190 million for the Financial Year 2023, primarily due to increase in interest expense on financial liabilities measures at amortised cost by ₹3,693 million, or 97.21% on account of funds raised for Viatris' biosimilar business acquisition. Finance costs represented 3.63% and 6.24% of our total income for the Financial Years 2023 and 2024, respectively.

Depreciation and amortisation expense

Depreciation and amortisation expense increased by ₹4,557 million, or 40.94%, to ₹15,688 million for the Financial Year 2024 from ₹11,131 million for the Financial Year 2023, primarily due to increase in amortization of intangible assets by ₹3,381 million on account of Viatris' biosimilar business. Depreciation and amortisation expense represented 9.64% and 10.04% of our total income for the Financial Years 2023 and 2024, respectively.

Other expenses

Other expenses increased by ₹7,682 million, or 23.93%, to ₹39,788 million for the Financial Year 2024 from ₹32,106 million for the Financial Year 2023. Other expenses represented 27.80% and 25.47% of our total income for the Financial Years 2023 and 2024, respectively.

The increase in other expenses was primarily attributable to increases in: (i) travelling and conveyance expense; (ii) professional charges; and (iii) TSA expense. The increase in other expenses was slightly offset by decreases in: (i) power and fuel expense; (ii) lab consumables; and (iii) research and development expenses.

- *Travelling and conveyance.* Travelling and conveyance expense increased on business travels and employee integration from Viatris, by ₹509 million, or 53.19%, to ₹1,466 million for the Financial Year 2024 from ₹957 million for the Financial Year 2023.

- *Professional charges.* Professional charges increased on integration costs of Viatris business, by ₹3,170 million, or 169.07%, to ₹5,045 million for the Financial Year 2024 from ₹1,875 million for the Financial Year 2023.

- *Transition Support Agreement ("**TSA**") expense.* TSA expense increased by ₹4,741 million, or 116.69%, to ₹8,804 million for the Financial Year 2024 from ₹4,063 million for the Financial Year 2023, primarily due to acquisition effective from consummation date partly offset by transition of business in phased manner. TSA expense represented 3.52% and 5.64% of our total income for the Financial Years 2023 and 2024, respectively.

- *Power and fuel.* Power and fuel expense decreased by ₹259 million, or 6.24%, to ₹3,889 million for the Financial Year 2024 from ₹4,148 million for the Financial Year 2023, primarily due to benefit from biomass usage. Power and fuel expense represented 3.59% and 2.49% of our total income for the Financial Years 2023 and 2024, respectively.

- *Research and development expenses (net).* Research and development expenses increased by ₹346 million, or 3.09%, to ₹11,540 million for the Financial Year 2024 from ₹11,194 million for the Financial Year 2023.

Profit before tax

As a result of the foregoing, our profit before tax increased by ₹6,281 million, or 70.01%, to ₹15,252 million for the Financial Year 2024 from ₹8,971 million for the Financial Year 2023.

Total tax expenses

Our total tax expense decreased by ₹267 million, or 10.51%, to ₹2,274 million for the Financial Year 2024 from ₹2,541 million for the Financial Year 2023, primarily due to lower ETR in Research business on favourable tax orders.

Profit for the year

As a result of the foregoing, our profit for the year increased by ₹6,548 million, or 101.84%, to ₹12,978 million for the Financial Year 2024 from ₹6,430 million for the Financial Year 2023.

Other comprehensive income for the year, net of taxes

Oher comprehensive income for the year, net of taxes increased by ₹3,101 million, or 404.83%, to ₹3,867 million for the Financial Year 2024 from ₹766 million for the Financial Year 2023.

Total comprehensive income for the year

As a result of the foregoing, total comprehensive income for the year increased by ₹9,649 million, or 134.09%, to ₹16,845 million for the Financial Year 2024 from ₹7,196 million for the Financial Year 2023.

Liquidity and Capital Resources

Our primary liquidity needs have been to finance our working capital requirements, our capital expenditures and fund raise to support acquisition. To fund these costs, we have relied principally on cash flows from operations and short-term and long-term borrowings.

Cash Flows

The following table sets forth certain information relating to our cash flows for the years indicated:

Particulars	Financial Year ended March 31,		
	2025	2024	2023
	(in ₹ millions)		
Net cash flow generated from operating activities	40,612	29,539	18,525
Net cash flow used in investing activities	(2,341)	(10,045)	(142,818)
Net cash flow generated from / (used in) financing activities	(18,540)	(23,327)	130,487
Net increase / (decrease) in cash and cash equivalent.....	**19,731**	**(3,833)**	**6,194**
Cash and cash equivalents at the end of the year	**29,238**	**9,195**	**12,948**

Operating activities

Net cash flow generated from operating activities for the Financial Year 2025 increased to ₹40,612 million from ₹29,539 million for the Financial Year 2024, primarily due to improvement in working capital management across inventories and trade receivables.

Net cash flow generated from operating activities for the Financial Year 2024 increased to ₹29,539 million from ₹18,525 million for the Financial Year 2023, primarily due to improvement in profit for the year.

Investing activities

Net cash flow used in investing activities for the Financial Year 2025 decreased to ₹2,341 million from ₹10,045 million for the Financial Year 2024, primarily due to consideration received from sale of business to Eris Lifesciences for ₹11,420 million.

Net cash flow used in investing activities for the Financial Year 2024 decreased to ₹10,045 million from ₹142,818 million for the Financial Year 2023, primarily due to consideration paid for business acquisition ₹156,645 million paid to Viatris in Financial Year 2023.

Financing activities

Net cash flow used in financing activities for the Financial Year 2025 decreased to ₹18,540 million from ₹23,327 million for the Financial Year 2024, primarily due to increase in proceeds from borrowings in the Financial Year 2025.

Net cash flow generated from / (used in) financing activities for the Financial Year 2024 decreased to ₹(23,327) million from ₹130,487 million for the Financial Year 2023, primarily due to proceeds from borrowings to support business acquisition from Viatris.

Capital Expenditure

Our capital expenditure has historically been principally for the construction, expansion and procurement of property, plant and machinery. In the Financial Year 2025, 2024 and 2023, our purchase towards property, plant and equipment and purchase of intangible assets was ₹23,433 million, ₹19,316 million and ₹17,263 million, respectively.

We expect to incur further capital expenditure in connection with additional construction for our remaining projects. For further details, see "*Risk Factors — We have incurred significant payments towards the purchase of property, plant and equipment and purchase of intangible assets amounting to ₹23,433 million, ₹19,316 million and ₹17,263 million in Fiscals 2025, 2024 and 2023, respectively. However, such plans may not yield the benefits intended*" on page 57.

Indebtedness

As of March 31, 2025, we had total outstanding borrowings (consisting of long-term borrowings, short term borrowings and current maturities of long-term borrowings) of ₹177,555 million. Our Total borrowings / Total equity (in times) was 0.64 as of March 31, 2025.

Contractual Obligations and Commitments

The following table sets forth certain information relating to future payments due under contractual commitments as of March 31, 2025, aggregated by type of contractual obligation:

As at March 31, 2025	Less than 1 year	Between 1 year and 2 years	Between 2 years and 5 years	More than 5 years	Total
	(In ₹ millions)				
Borrowings	53,498	25,506	98,551	-	177,555
Trade payables	65,487	-	-	-	65,487
Lease liabilities	797	852	2,345	5,340	9,334
Derivative liabilities	455	232	-	-	687
Other financial liabilities	9,326	28,282	-	-	37,608
Total	**129,563**	**54,872**	**100,896**	**5,340**	**290,671**

Contingent Liabilities and other Off-Balance Sheet Arrangements

The following table sets forth certain information relating to our contingent liabilities as of March 31, 2025:

	As of March 31,		
	2025	**2024**	**2023**
	(In ₹ millions)		
Claims against the Company not acknowledged as debt			
(i) Direct taxation	9,468	9,337	8,249
(ii) Indirect taxation (includes matters pertaining to disputes on central excise, custom duty and service tax)	1,945	1,671	881
(iii) Other matters*	348	348	348
Total	**11,761**	**11,356**	**9,478**

Notes:

** In light of recent judgment of Honorable Supreme Court dated February 28, 2019 on the definition of "Basic Wages" under the Employees Provident Funds & Misc. Provisions Act, 1952 and based on Group's evaluation, there are significant uncertainties and numerous interpretative issues relating to the judgement and hence, it is unclear as to whether the clarified definition of Basic Wages would be applicable prospectively or retrospectively. The amount of obligation therefore cannot be measured with sufficient reliability for past periods and hence, has currently been considered to be a contingent liability in one of its subsidiaries.*

The Group 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 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 Group

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 the above matters are not tenable and will not have any material adverse effect on the Group's financial position and results of operations.

There are no other off-balance sheet arrangements that have or are reasonably likely to have an adverse effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

Reconciliation of non-generally accepted accounting principles ("Non-GAAP") financial measures

EBITDA, EBITDA Margin, Inventory turnover ratio, Net Worth, Return on Equity and Return on Net Worth

The following table sets forth our EBITDA, EBITDA Margin, Inventory turnover ratio, Net Worth, Return on Equity and Return on Net Worth and the manner in which it is calculated for the Fiscal years ended March 31, 2025, 2024 and 2023. We define our EBITDA as sum of Profit before tax, share of profit/(loss) of joint venture and associates and exceptional items, finance costs and depreciation and amortisation expense. We define EBITDA Margin as EBITDA divided by total income. We define Inventory turnover ratio as the cost of material consumed plus purchases of stock-in-trade plus changes in inventories of finished goods, work-in-progress and stock-in-trade, divided by average inventories. We define Net Worth as the aggregate value of the equity share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. We define return on Net worth as profit attributable to shareholders of the company divided by Net worth as of the respective fiscal year end, multiplied by 100. We define Return on Equity or ROE as profit for the year divided by equity as of the respective fiscal year end, multiplied by 100.

A. EBITDA and EBITDA margin

Particulars	**Fiscal year ended March 31,**		
	2025	**2024**	**2023**
	(₹ in millions unless otherwise indicated)		
Profit before tax, share of profit/(loss) of joint venture and associates and exceptional items (I)	17,901	16,210	13,555
Add:			
Finance cost (II)	8,974	9,744	4,190
Depreciation and amortisation expense (III)	16,870	15,688	11,131
EBITDA (IV=I+II+III)	**43,745**	**41,642**	**28,876**
Total Income (V)	164,699	156,212	115,501
EBITDA margin (%) (VI=IV/V)	26.56%	26.66%	25.00%

B. Return on Equity

Particulars	**Fiscal year ended March 31,**		
	2025	**2024**	**2023**
	(₹ in millions unless otherwise indicated)		
Profit for the year (I)	14,294	12,978	6,430
Total equity (II)	277,125	252,748	224,888
ROE % (I/II)	**5.16%**	**5.13%**	**2.86%**

C. Net Worth and Return on Net Worth

Particulars	**Fiscal year ended March 31,**		
	2025	**2024**	**2023**
	(₹ in millions unless otherwise indicated)		
Equity share capital (I)	6,003	6,003	6,003
Add:			
Securities Premium (II)	2,581	2,285	1,735
Retained Earnings (III)	189,591	176,028	160,859
General Reserve (IV)	1,878	1,878	1,617

Capital Redemption Reserve (V)	1,292	1,292	1,292
Debenture Redemption Reserve (VI)	1,309	1,363	1,363
Less:			
Treasury Shares (VII)	(784)	(971)	(971)
Net worth (VIII=I+II+III+IV+V+VI+VII)	**201,870**	**187,878**	**171,898**
Profit attributable to shareholders of the company (IX)	10,133	10,225	4,627
Return on Net worth (%) (X=IX/VIII)	**5.02%**	**5.44%**	**2.69%**

D. Inventory turnover ratio

	Fiscal 2025	**Fiscal 2024**	**Fiscal 2023**
	in ₹ millions, unless otherwise stated		
Cost of materials consumed	42,767	50,719	31,911
Purchases of stock-in-trade	6,266	6,827	6,261
Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,942	(8,567)	(1,541)
Total	**51,975**	**48,979**	**36,631**
Current assets – inventories	49,311	49,439	42,437
Inventory turnover ratio (*in times*)	**1.05**	**1.07**	**1.12**

Off-Balance Sheet Arrangements
We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities established for the purpose of facilitating off-balance sheet arrangements.

Quantitative and Qualitative Disclosures about Market Risks
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, commodity risk, interest rate risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits and foreign currency hedging instruments, such as forward contracts and options. We have put in place appropriate risk management policies to limit the impact of these risks on financial performance.

Unusual or Infrequent Events of Transactions
Except as described in this Preliminary Placement Document, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

Known Trends or Uncertainties
Our business has been affected and we expect will continue to be affected by the trends identified above in the heading titled "*Significant Factors Affecting Our Financial Condition and Results of Operations*" and the uncertainties described in the section titled "*Risk Factors*". To our knowledge, except as described or anticipated in this Preliminary Placement Document, there are no known factors which we expect will have a material adverse impact on our revenue or income from continuing operations.

Future Relationship between Cost and Income
Other than as described in this Preliminary Placement Document, to the knowledge of our management, there are no known factors that might affect the future relationship between costs and revenue.

New Products or Business Segments
Other than as described in "*Our Business*" of this Preliminary Placement Document, there are no new products or business segments in which we operate.

Seasonality of Business
Our business is not subject to seasonal variations.

Significant Developments Occurring after March 31, 2025
Except as disclosed in this Preliminary Placement Document, we are not aware of any circumstances that have arisen since March 31, 2025, that materially and adversely affect, or are likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our or their respective liabilities within the next twelve months.

INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry reports titled "Independent Market Research Report on Global Pharmaceutical, Active Ingredients, and Contract Service Market" dated June 2025 ("**F&S Report**") prepared and issued by Frost & Sullivan (India) Private Limited, exclusively commissioned and paid for by us for the purposes of confirming our understanding of the industry, in connection with the Issue. Unless otherwise indicated, financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factors – Certain facts and statistics contained in this document have come from industry or other third-party publications, the reliability of which cannot be assumed or assured." on page 79. Also see, "Industry and Market Data" on page 16.*

References to various segments in the F&S Report and information derived therefrom are references to industry segments and in accordance with the presentation, analysis and categorisation in the F&S Report. Our segment reporting in our financial statements is based on the criteria set out in Ind AS 108, Operating Segments and we do not present such industry segments as operating segments.

MACROECONOMIC OVERVIEW

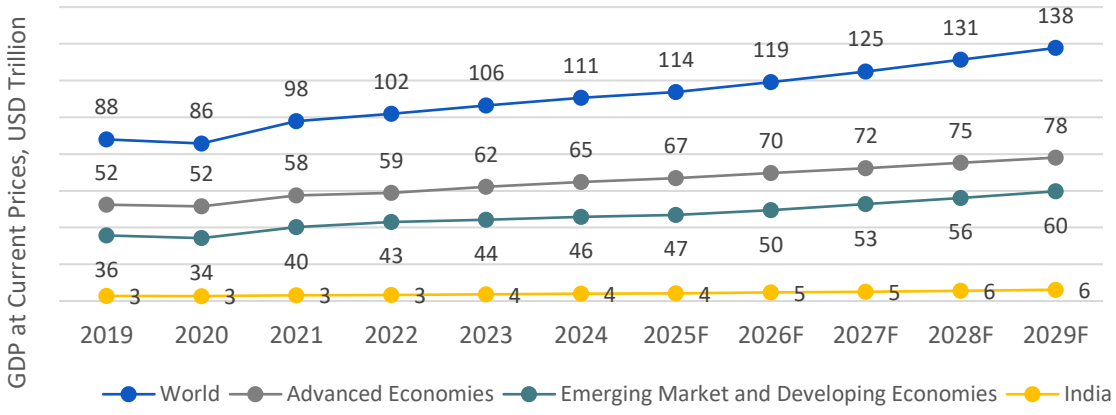
Overview of Global and Regional GDP

Compelling evidence of resilient economic growth and potential for expansion, despite short-term disruptions stemming from geopolitical and financial factors.

The global economy continues to demonstrate resilience, with consistent growth and a rapid slowdown in inflation following its ascent. Against the backdrop of significant events, including post-pandemic supply disruptions, geopolitical tensions such as Russia's conflict with Ukraine and the turmoil in the Middle East, as well as escalating energy and food crises, the economy has demonstrated remarkable adaptability.

Resilient growth and a swift decline in inflation underscore favorable supply-side developments, such as the easing of energy price pressures and a marked recovery in labor market participation. These trends point to a promising economic outlook, with global Gross Domestic Product (GDP) projected to grow at a healthy 4.5% Compounded Annual Growth Rate (CAGR) from 2024 to 2029, mostly in line with the previous five-year average of 4.7%. This sustained momentum reflects not only short-term resilience but also the foundations for long-term expansion.

Exhibit 1.1: GDP at Current Prices, Global, 2019-2029F



Source: World Economic Outlook-April 2025, Frost & Sullivan
Note: The above GDP values at current prices are the country's GDP based on the same period during the year as their fiscal data. For countries whose fiscal data are based on a fiscal calendar (e.g., July to June), this series would be the country's GDP over that same period. For countries whose fiscal data are based on a calendar year (i.e., January to December), this series will be the same as "Gross domestic product, current prices." F - Forecast

Exhibit 1.1B: GDP at Current Prices, Global, 2019-2029F (INR Trillion)

Years	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F

World	7,055	6,874	7,842	8,171	8,530	8,860	9,120	9,545	10,015	10,526	11,042
Advanced Economies	4,200	4,130	4,613	4,717	4,983	5,187	5,359	5,578	5,791	6,025	6,255
Emerging Market and Developing Economies	2,855	2,743	3,229	3,454	3,547	3,673	3,761	3,967	4,224	4,501	4,786
India	227	214	254	268	292	313	336	369	406	448	493

Source: World Economic Outlook-April 2025, Frost & Sullivan

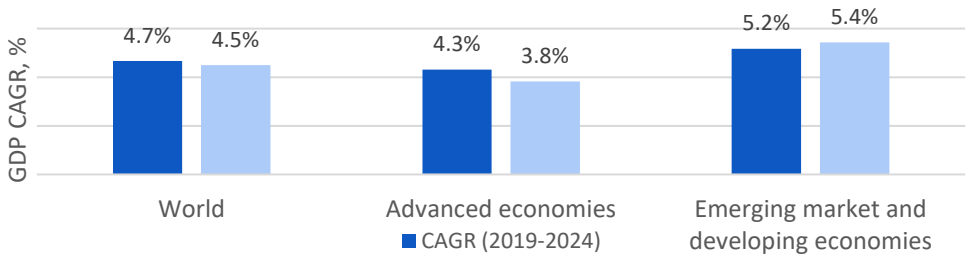
Note: F - Forecast

Ongoing tariff revisions and geopolitical tensions may temper global GDP growth, easing the CAGR for advanced economies from 4.3% (2019–2024) to 3.8% (2024–2029). In contrast, emerging markets and developing economies are set to accelerate from 5.2% to 5.4%, driven by domestic demand and broader trade ties.

Advanced[1] Economies remain central to the growth trajectory since they represented 58.5% of the global output in 2024. With a projected 3.8% growth over the next five years, they are expected to maintain a dominant share that will continue to exceed 56% through 2029, reinforcing their enduring influence on global economic dynamics.

Nonetheless, the rising importance of emerging markets and developing economies cannot be overlooked. Marked by rapid industrialization, urbanization, and demographic shifts, these regions are becoming substantial contributors to global GDP growth, consumption patterns, and investment inflows. Forecasts indicate a CAGR of 5.4% between 2024 and 2029, with significant prominence in emerging economies across Asia, particularly India.

Exhibit 1.2: GDP CAGR at Current Prices, Global, 2019-2029F

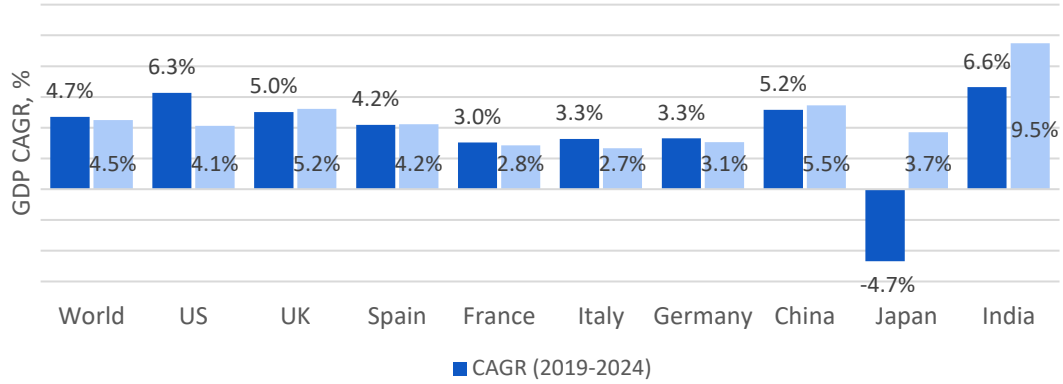


Source: World Economic Outlook-April 2025, Frost & Sullivan
Note: F - Forecast

India's projected GDP acceleration, from an average of 6.6% during 2019–2024 to 9.5% during 2024–2029, is underpinned by strong domestic drivers, including robust private consumption, rising infrastructure investment, digitalization, and structural policy reforms, as well as external tailwinds such as the China+1 and ongoing tariff wars. Comparatively lower US tariffs on Indian goods, relative to Chinese goods, are boosting India's export competitiveness, significantly benefiting Indian suppliers.

- [1] Advanced economies: Andorra, Australia, Austria, Belgium, Canada, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece Hong Kong SAR, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, Luxembourg, Macao SAR, Malta, The Netherlands, New Zealand, Norway, Portugal, Puerto Rico, San Marino, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Taiwan Province of China, UK, US, All other countries are included under Emerging Market and Developing Economies.

Exhibit 1.3: GDP CAGR at Current Prices, Select Countries, 2019-2029F



Source: World Economic Outlook-April 2025, Frost & Sullivan
Note: F - Forecast

While China and India historically boasted growth rates of around 5-7% between 2019 and 2029, India's projected GDP growth is expected to surpass China's by nearly 1.7 times during the forecast period between 2024 and 2029. India's economic resilience amidst the pandemic, notably in the pharmaceutical sector, combined with emerging geopolitical dynamics such as the "China +1" strategy[2], has propelled India into the global spotlight. Conversely, China faces challenges stemming from a weakening property sector, geopolitical uncertainties, and declining export momentum.

India is projected to become the world's third-largest economy by 2027, surpassing Japan and Germany, with a GDP forecast to exceed USD 5 trillion (INR 400 trillion)[3]. India aims to achieve developed economy status by 2047[4], driven by robust growth projections of 9.5% between 2024 and 2029. This surge in growth is bolstered by escalating domestic consumer demand across sectors, substantial government and private global investments, strengthened global partnerships, and reforms centered on the Atmanirbhar Bharat initiative[5]and a flourishing Micro, Small, and Medium-sized Enterprise (MSME) sector.

Furthermore, manufacturing has historically contributed 16-17% of the country's GDP[6]. With the prioritization of manufacturing across sectors including automotive, engineering, chemicals, pharmaceuticals, and consumer durables, through the implementation of policies like the Production-Linked Incentive (PLI) scheme and industrial development schemes in states with industrial backwardness, the manufacturing sector is expected to account for 25% of GDP by 2025[7]. As India strengthens its position in the global manufacturing landscape, the pharmaceutical industry holds significant potential. By serving both domestic and export markets, pharmaceutical companies can harness the momentum of India's rise as a prominent manufacturing destination.

The projected expansion in emerging markets and developing economies, alongside consistent growth in advanced economies, is expected to stimulate demand across crucial sectors like healthcare and pharmaceuticals in particular.

GLOBAL PHARMA MARKET

Overview of the Global Pharma Market

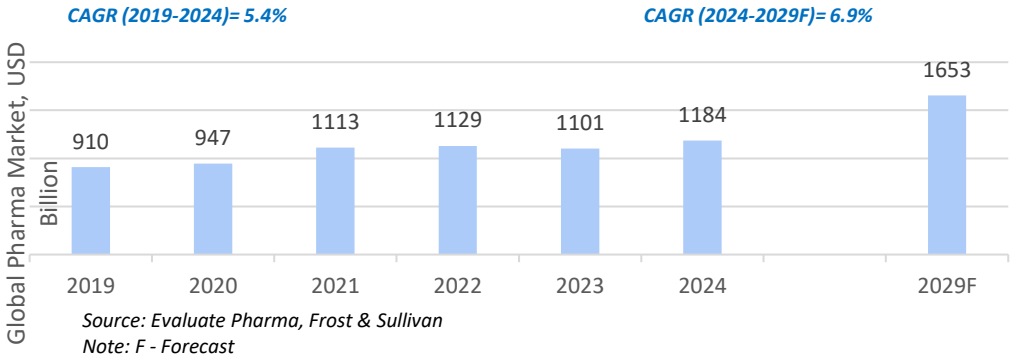
The pharmaceutical market is poised for robust growth, fueled by supply-side drivers like the introduction of new therapies and a surge in generics and biosimilars amid the patent cliff, alongside demand-side factors such as an aging population, rising chronic disease burden, increased healthcare prioritization, wider access to affordable treatments, and growing health awareness.

The global pharmaceutical industry is adapting to a complex interplay of scientific advances, demographic changes, and geopolitical developments that are reshaping the way therapies are discovered, developed, and delivered. Innovation is accelerating, driven by breakthroughs in biomedical research and a growing focus on therapies with curative potential. At the same time, the push to enhance access, affordability, and health system efficiency is encouraging companies to

- [2] China + 1 refers to companies diversifying operations by adding another country alongside China to reduce dependency and mitigate risks
- [3] International Monetary Fund (IMF)
- [4] IBEF Report on the Government's Ambition
- [5] Launched in 2020, the Atmanirbhar Bharat (Self-Reliant India) initiative is a national strategy aimed at boosting domestic manufacturing, reducing import dependency, promoting Indian goods in the global supply chain markets, and enhancing resilience across key sectors such as pharmaceuticals, electronics, defense, agriculture, and renewable energy.
- [6] IBEF; Confederation of Indian Industries
- [7] FDI in Make in India: Transforming the Manufacturing Landscape

broaden their generics and biosimilar portfolios. Market growth continues to be supported by established factors such as population ageing, the rising prevalence of chronic diseases, and the increasing consumer orientation of healthcare, particularly in the Over-the-counter (OTC) space, alongside newer catalysts including precision medicine and complex modalities. In this evolving landscape, the global pharmaceutical market is expected to grow at a CAGR of 6.9% between 2024 and 2029, surpassing the 5.4% growth recorded from 2019 to 2024, and reaching USD 1.6 trillion (INR 142 trillion) by 2029, up from USD 910 billion (INR 78 trillion) in 2019.

Exhibit 2.1: Global Pharma Market, 2019-2029F



Source: Evaluate Pharma, Frost & Sullivan
Note: F - Forecast

Exhibit 2.1B: Global Pharma Market, 2019-2029F (INR Trillion)

Years	2019	2020	2021	2022	2023	2024	2029F
Global Pharma Market	78	82	96	97	95	102	142

Source: Evaluate Pharma, Frost & Sullivan

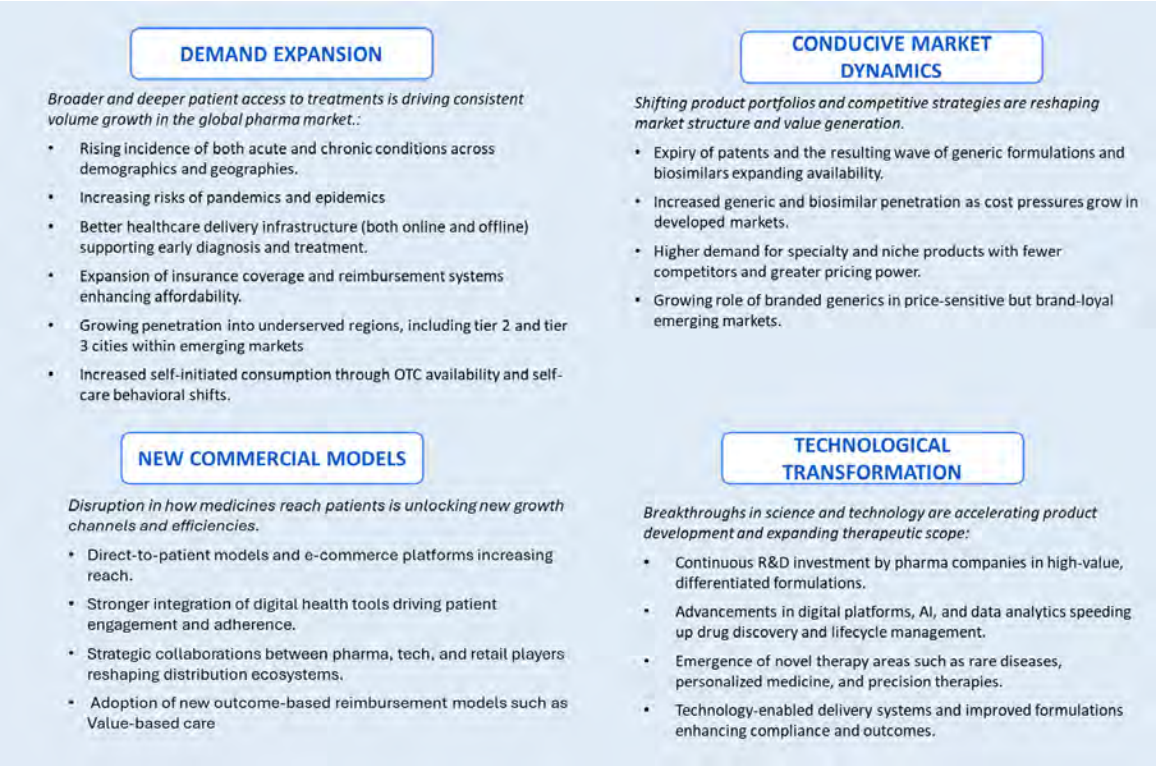
Note: F - Forecast

Growth Drivers of the Global Pharma Market

The global pharmaceutical market is poised for sustained expansion, propelled by a confluence of structural demand drivers and ongoing innovation. As populations age and the burden of chronic diseases intensifies, healthcare systems worldwide are witnessing increased demand for effective, accessible, and long-term treatment solutions. This is further supported by rising health awareness and greater prioritization of healthcare expenditure, particularly in emerging markets where demand for and access to treatment are rapidly improving. Governments and private insurers alike are expanding coverage, reinforcing pharmaceutical uptake across income segments.

On the supply side, the upcoming patent cliff is unlocking opportunities for generics and biosimilars, thereby broadening access and intensifying competition. At the same time, sustained investment in Research and Development (R&D) is yielding novel therapies across areas such as oncology, immunology, diabetes, obesity, and rare diseases.

Some of the key growth drivers solidifying this growth momentum include:



Pharma Market by Modalities

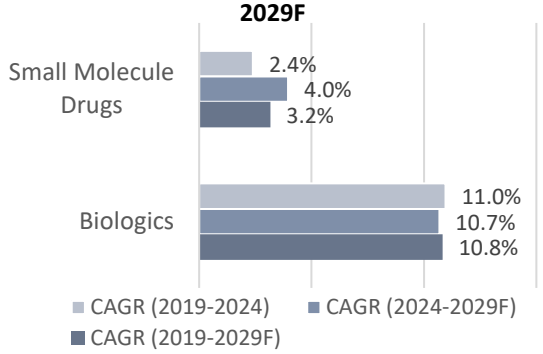
The pharmaceutical market is experiencing tandem growth in both small-molecule drugs and biologics. While small molecules remain dominant with a 59.3% share in 2024 due to their broad therapeutic use and cost-effectiveness, the biologics segment is witnessing faster expansion, with a projected growth rate of 10.7% between 2024 and 2029 due to their higher efficacy and safety, along with their ability to target complex, previously untreatable conditions.

The global pharmaceutical market continues to exhibit strong momentum across both biologics and small molecule drugs, with each modality contributing distinctly to overall market expansion. Small molecules remain the dominant segment, accounting for 59.3% of the global market by value in 2024. Their continuing relevance is anchored in widespread clinical usage, affordability, ease of administration, and scalable manufacturing. Despite a slower growth rate of 2.4% (2019–2024) and a projected 4.0% CAGR (2024–2029), small molecules continue to drive high prescription volumes and dominate Food and Drug Administration (FDA) new drug approvals, with 68% of the Center for Drug Evaluation and Research's (CDER) approvals in 2024[8] attributed to this class. They also account for 55% of the global R&D pipeline and remain essential for expanding access in price-sensitive and infrastructure-constrained markets[9].

Meanwhile, biologics, including biosimilars, are rapidly gaining ground and are expected to expand significantly, representing 31.5% market share in 2019, which is expected to increase to 44.5% in 2026 and 48.5% by 2029, with revenues increasing from USD 287 billion (INR 25 trillion) in 2019 to a projected USD 801 billion (INR 69 trillion) in 2029. This sustained growth of 10.7% CAGR from 2024 to 2029 is driven by scientific breakthroughs in antibody therapeutics, gene and cell therapies, and immuno-oncology. Biologics have transformed care in complex diseases such as cancer, autoimmune disorders, and rare genetic conditions, offering high specificity and superior efficacy. Despite longer development timelines and more complex manufacturing, biologics enjoy blockbuster potential. In 2024, based on revenues, 12 of the top 15 selling medications were biologics[10]. With continued innovation, growing biosimilar adoption, and growing demand for targeted therapies, biologics are set to remain a key engine of pharmaceutical growth.

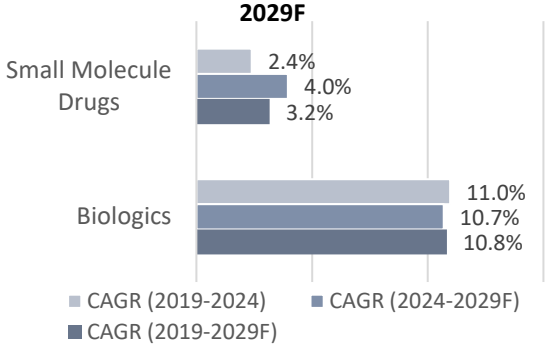
- [8] FDA Data Analysis
- [9] Citeline: R&D Annual Review, 2024
- [10] Evaluate Pharma; Excludes Jardiance due to lack of details on product revenue

Exhibit 2.2B: Growth Rate of Global Pharma Market by Modality, 2019-2029F



Source: Evaluate Pharma, Frost & Sullivan
Note: F- Forecast

Exhibit 2.2B: Growth Rate of Global Pharma Market by Modality, 2019-2029F



Source: Evaluate Pharma, Frost & Sullivan
Note: F- Forecast

Exhibit 2.2C: Global Pharma Market by Modality, 2019, 2024, 2029F (INR Trillion)

Years	2019	2024	2029F
Biologics	25	42	69
Small Molecule Drugs	54	60	73

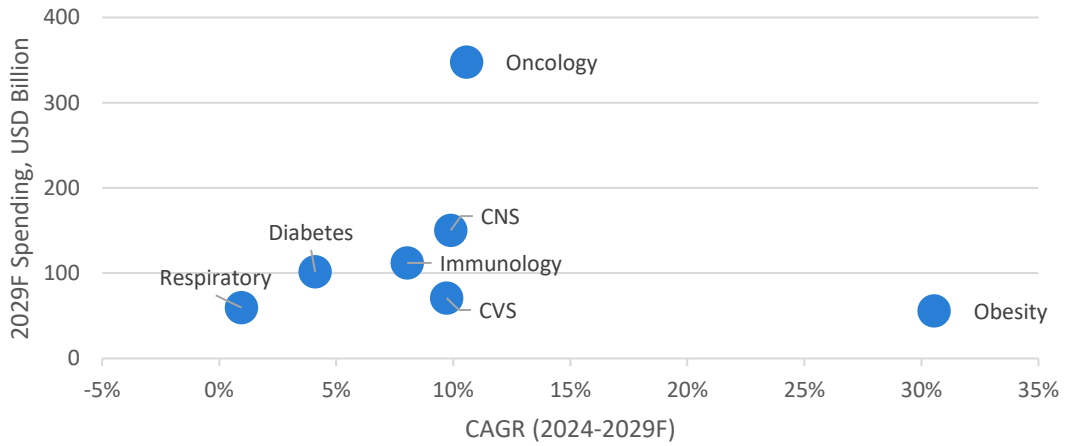
Source: Evaluate Pharma, Frost & Sullivan

Note: F - Forecast

Pharma Market by Therapy Areas

Chronic disease therapies such as for Oncology, Immunology, Central Nervous System (CNS), and metabolic disorders (including diabetes and obesity) dominate the global pharma market with a combined market share of ~40% in 2024 and will likely sustain the momentum because of repeat prescriptions and rapid introduction of new medicines.

Exhibit 2.3: Global Pharma Market by Therapy Areas, 2019-2029F



Source: Evaluate Pharma, Frost & Sullivan
Note: F - Forecast, CNS: Central Nervous System, CVS: Caardiovascular

Exhibit 2.3B: Global Pharma Market by Therapy Areas, 2019-2029F (INR Trillion)

Therapy Area	2029F Spending (INR Trillion)	CAGR (2024- 2029F)
Oncology	30	10.6%
Immunology	10	8.0%

Diabetes	9	4.1%
Cardiovascular	6	9.7%
Central Nervous System	13	9.9%
Respiratory	5	1.0%
Obesity	5	30.5%

Source: Evaluate Pharma, Frost & Sullivan
Note: F - Forecast

The composition of pharma spending is witnessing a therapeutic shift, shaped by innovation, rising chronic disease burden, and evolving treatment paradigms, particularly oncology, cardiovascular, CNS, immunology, and metabolic disorders, accounting for an increasingly dominant share of global expenditure.

In 2024, chronic therapy areas are estimated to comprise 65–70% of total pharmaceutical spending. Oncology alone represents 17.7% of the global market value in 2024. By 2029, this figure is expected to increase to 20.2% of the total pharmaceutical market, accentuating the segment's sustained momentum. This growth is underpinned by the high clinical and commercial value of next-generation immunotherapies and targeted biologics, continued regulatory support for accelerated approvals, increasing cancer incidence and diagnosis, and global efforts to improve access to cancer care.

Cardiovascular (CVS) therapies, despite experiencing slower growth historically due to extensive genericization, are forecasted to grow at an accelerated CAGR of 9.7% between 2024 and 2029, reaching USD 71 billion (INR 6 trillion). This resurgence is driven by novel lipid-lowering and heart failure treatments, as well as growing recognition of cardiovascular risk management in metabolic diseases. CNS therapies are similarly poised for expansion, growing from USD 94 billion (INR 8 trillion) in 2024 to USD 150 billion (INR 13 trillion) by 2029, as demographic shifts, neurodegenerative burden, and mental health awareness continue to drive demand.

Obesity, a historically underrepresented category in pharma spending, is emerging as a strong growth frontier. The segment's market value is expected to expand at a CAGR exceeding 30% over 2024–2029, fueled by the unprecedented success of GLP-1-based drugs and increasing therapeutic alignment with diabetes, cardiovascular, and metabolic syndrome management. While new age therapies are creating a new growth tangent, traditional therapies continue their growth trajectory. For example, while GLP-1s are reshaping the diabetes treatment paradigm by delaying disease progression, insulin remains a critical therapy, demonstrating its enduring role despite the rise of newer agents. Together, they will continue to give growth impetus to the metabolic and endocrine drug segment.

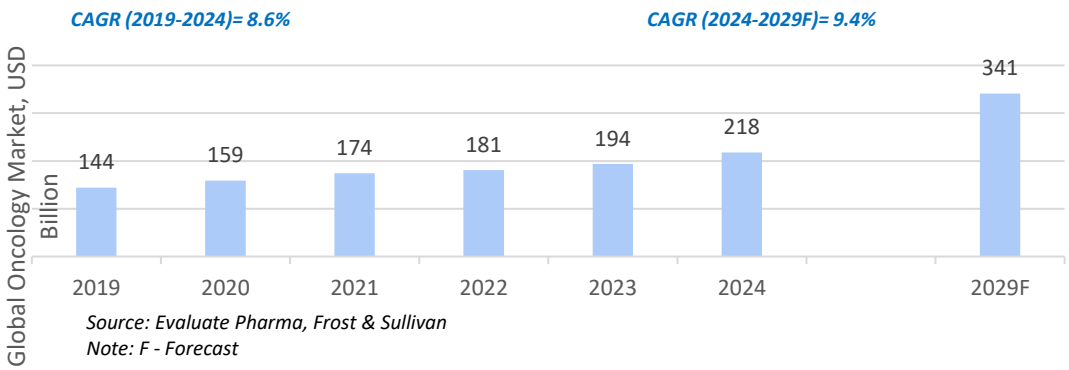
As chronic diseases continue to account for a growing share of morbidity, mortality, and healthcare costs globally, the proportional footprint of their therapies in the pharmaceutical market is expected to expand further, reaching an estimated 75–80% of total market value by 2029. The long-term use (often spanning a patient's lifetime) of medicines to manage chronic diseases, high value of drugs for acute disease treatment, and specialty-driven therapies with curative potential will continue to shape the therapeutic paradigm.

Key Growth Opportunities in the Pharma Market

Oncology Drugs

The oncology sector is witnessing dynamic expansion, driven by scientific innovation, strategic investments, and a deeper understanding of cancer biology. In 2024, it accounted for ~18% of the total pharmaceutical market and remains the fastest-growing therapy area, projected to grow at a >9% CAGR through 2029 and account for ~20% of the pharma market in 2029.

Exhibit 2.4: Global Oncology Market, 2019-2029F



Source: Evaluate Pharma, Frost & Sullivan
Note: F - Forecast

Exhibit 2.4B: Global Oncology Market, 2019-2029F (INR Trillion)

Years	2019	2020	2021	2022	2023	2024	2029F
Global Oncology Market	12	14	15	16	17	19	29

Source: Evaluate Pharma, Frost & Sullivan

Note: F - Forecast

Oncology continues to lead the pharmaceutical landscape, propelled by sustained innovation across diagnostics, therapeutics, disease management, and monitoring.

In 2022, approximately 20 million new cancer cases were diagnosed globally, with 10 million fatalities. By 2040, the number of new cancer cases per year is expected to rise to 30 million, and the number of cancer-related deaths to 15 million[11] highlighting the persistent and significant unmet medical need. The economic implications are equally staggering; the global economic cost of cancer from 2020 to 2050 is projected to reach USD 25 trillion[12] (INR 2,154 trillion), reflecting the immense strain on healthcare systems worldwide.

The oncology pharmaceutical segment has demonstrated substantial growth over the past decade and is expected to maintain its trajectory, driven by factors such as demographic shifts, lifestyle changes predisposing to disease, advances in precision medicine, and the expansion of immunotherapies. In 2024, global oncology therapeutics accounted for USD 218 billion (INR 19 trillion) in pharmaceutical sales, constituting about 17.7% of total pharmaceutical revenues. This market is projected to reach USD 341 billion (INR 29 trillion) by 2029, driven by a CAGR of 9.4%. Moreover, five of the top 20 drugs in 2024 are oncology therapies, each generating more than USD 5 billion (INR 431 trillion) in annual revenue[13] , highlighting the sector's prominence. Biologics have been a key contributor to this growth since they offer highly targeted therapeutic solutions that improve survival rates and reduce systemic toxicity. Their ability to harness the immune system and target specific molecular pathways has redefined cancer treatment paradigms. While biologics have indubitably revolutionized the oncology market, small molecules, because of their low weight and high permeability (ability to pass through cellular membranes to engage intracellular targets), play a central role in the cancer treatment continuum. In addition to the inherent chemical and biological benefits of small molecules, innovation focused on making them more targeted in action is expected to drive future growth. As a result, small molecules account for 50-55% of the total oncology drug market and are expected to maintain their share during the forecast period till 2029.

Market Dynamics and Growth Drivers

- **Growing Cancer Incidence:** The global burden of cancer continues to escalate, with over 35 million new cancer cases predicted in 2050, a 77% increase from the estimated 20 million cases in 2019. High HDI[14] countries are expected to see the largest absolute rise in incidence, with an additional 5.0 million new cases projected for 2050 compared to 2022 estimates[15].
- **Unabated R&D Investment Translating into Increased Approvals:** Oncology remains a focal point for major pharmaceutical companies, with an estimated 8,800 clinical compounds in development, representing approximately 40% of the global clinical pipeline across all therapeutic areas in 2024, up from 35% in 2019 and 27% in 2010[16].
- **Technological Advancements in Drug Development and Therapeutic Potential:** Technological innovation is accelerating oncology drug development through AI-driven discovery, precision medicine, and novel modalities such as biologics- Antibody Drug Conjugates (ADCs) and Chimeric Antigen Receptor T-cell therapy (CAR-T), Messenger Ribonucleic Acid (mRNA) therapies, and radioligand treatments. These advances are enabling more targeted, efficient, and personalized cancer care, significantly enhancing therapeutic potential and market growth.

- [11] National Cancer Institute
- [12] Estimates and Projections of the Global Economic Cost of 29 Cancers in 204 Countries and Territories From 2020 to 2050
- [13] Evaluate Pharma
- [14] The Human Development Index (HDI) is a composite measure of a country's average achievements in health, education, and standard of living.
- [15] WHO: Global cancer burden growing, amidst mounting need for services
- [16] Citeline: Pharma R&D Annual Review 2024

- **Strong Adoption of Generics and Biosimilars:** The growing adoption of generics and biosimilars is a key driver for the oncology pharmaceutical market, driven by cost-effectiveness and increasing healthcare accessibility. Oncology biosimilars are seeing significant uptake, with some molecules reaching over 80% adoption in select markets. For instance, bevacizumab, rituximab, and trastuzumab achieved >67% uptake in the US and >80% in Germany within three years of launch[17]. Similarly, the small molecule generics space is thriving, with the FDA approving >250 oncology Abbreviated New Drug Applications (ANDAs) across 60 drugs between 2019 and 2024, representing 8% of total ANDA approvals[18].
- **Relatively Slower Price Erosion:** The oncology pharmaceutical market demonstrates relatively higher resilience to price erosion compared to other therapeutic segments, primarily due to the specialized nature of oncology treatments and their relatively lower competition levels. Additionally, the value of oncology drugs, driven by their clinical benefits and high efficacy, enables them to command premium pricing. This pricing power is further solidified by the ongoing reliance on biologics and novel therapies, which often face limited competition during their exclusivity periods, ensuring sustained revenue streams.
- **Expanded Indications and Proliferation in Early Line of Therapies:** Many oncology drugs are now approved for multiple indications and are being utilized in earlier lines of therapy, thereby reaching larger patient populations. For instance, immune checkpoint inhibitors initially approved for metastatic settings are now being used in adjuvant and neoadjuvant settings across various tumor types.
- **Continued Drug Shortages in Key Markets:** Persistent shortages of key oncology drugs, particularly in markets like the US, have been driven by manufacturing disruptions, supply chain issues, and regulatory challenges. This has increased reliance on established pharmaceutical and generic manufacturers to ensure consistent access to affordable treatments. As a result, generic players are playing a critical role in stabilizing supply and addressing scalability and quality demands.
- **Transition to Chronic Disease Status:** Oncology is increasingly being managed as a chronic disease, driven by advancements in early detection and long-term therapies like immuno-oncology and targeted treatments.

GLP-1 Drugs

GLP-1 drugs have emerged as a key growth driver in the metabolic and obesity drug market. Strong clinical efficacy in weight loss and glycemic control, expanding indications beyond diabetes, increasing patient and physician acceptance, and improving availability and access are propelling their rapid global uptake.

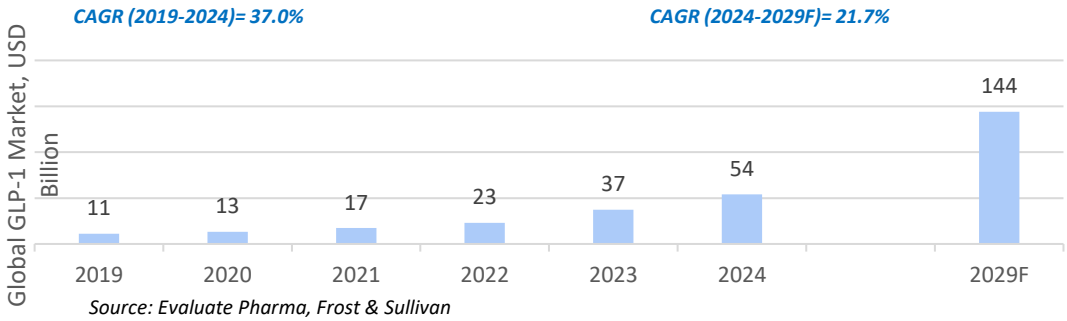
Glucagon-like peptide-1 (GLP-1) receptor agonists (RA) have rapidly emerged as one of the most transformative classes in the metabolic disease segment. First approved in 2005 with exenatide for type 2 diabetes, GLP-1 therapies have since evolved to demonstrate significant efficacy not only in glycemic control but also in promoting weight loss and improving cardiovascular outcomes. Moreover, GLP-1 receptor agonists work synergistically with established diabetes therapies, particularly insulins. Their complementary mechanisms enhance glycemic control when used in combination, with leading clinical guidelines endorsing the co-administration of GLP-1 RAs and basal insulin to maximize therapeutic efficacy while reducing the risks of hypoglycemia and weight gain[19].

The GLP-1 market is among one of the fastest-growing segments in the global pharma market, with global sales expected to rise from USD 9 billion (INR 775 billion) in 2018 and USD 11 billion (INR 963 billion) in 2019 to USD 144 billion (INR 12,392 billion) by 2029, reflecting strong uptake driven by increasing obesity prevalence, superior clinical outcomes, and growing physician and patient awareness. Between 2019 and 2024, the market is estimated to have grown at a CAGR of 37.0%, with a projected CAGR of 21.7% from 2024 to 2029, highlighting sustained momentum.

GLP-1 therapies have shown blockbuster potential, particularly in obesity, a market that has long lacked effective pharmacologic solutions. In 2024, four GLP-1 drugs ranked among the top-selling global therapies: semaglutide led the category with combined revenues of USD 29.3 billion (INR 2,524 billion), followed by tirzepatide at USD 16.5 billion (INR 1,421 billion), dulaglutide at USD 5.3 billion (INR 457 billion), and liraglutide at USD 1.8 billion (INR 155 billion). With demonstrated efficacy in both glycemic control and weight reduction, and ongoing exploration in areas such as cardiovascular disease, nonalcoholic steatohepatitis (NASH), and neurodegenerative disorders, GLP-1s represent near-term, mid-term, and long-term opportunity, with projected growth expected to be three times higher than the average growth rate of the pharmaceutical industry.

- [17] IQVIA: The Impact of Biosimilar Competition in Europe; Biosimilars in the United States
- [18] FDA data analysis
- [19] American Diabetes Association: Pharmacologic Approaches to Glycemic Treatment: Standards of Care in Diabetes- 2025 and Basal Insulin Use With GLP-1 Receptor Agonists

Exhibit 2.5: Global GLP-1 Market, 2019-2029F



Source: Evaluate Pharma, Frost & Sullivan
Note: F - Forecast

Exhibit 2.5B: Global GLP-1 Market, 2019-2029F (INR Billion)

Years	2019	2020	2021	2022	2023	2024	2029F
Global GLP-1 Market	963	1,148	1,493	1,996	3,209	4,645	12,392

Source: Evaluate Pharma, Frost & Sullivan

Note: F - Forecast

Market Dynamics and Growth Drivers

- **Intensifying Global Health and Economic Burden of Diabetes and Obesity:** Diabetes and obesity have emerged as dual epidemics, with profound implications for global health systems and economic productivity. According to the World Health Organization, diabetes causes approximately 1.5 million deaths annually, and the International Diabetes Federation estimated that over 536 million people lived with diabetes in 2021, and this number is projected to rise to over 1.3 billion by 2050. Obesity is a critical risk factor, implicated in 80–85% of type 2 diabetes cases[20]. As per recent projections, by 2035, more than 4 billion individuals globally will be overweight or obese, with obesity prevalence expected to climb from 14% to 24% between 2020 and 2035[21]. The economic ramifications are severe- annual costs attributable to obesity may exceed USD 1.5 trillion (INR 129 trillion) in the Western Pacific (nearly 3% of GDP), USD 1.5 trillion (INR 129 trillion) in the Americas (3.7% of GDP), and USD 807 billion (INR 70 trillion) in Europe (2.6% of GDP)[22]—making obesity drugs a critical lever to control spiraling costs.
- **Imminent Patent Expiry Unlocking Generic Opportunities:** The impending loss of exclusivity for leading GLP-1 agents is expected to open the market to generics over the next decade, with the opportunity already materializing as some products have been approved and launched in select markets, and several others are expected to become available across multiple geographies starting in 2026 and 2027. This will significantly improve affordability and access in both developed and emerging markets, further catalyzing market penetration. Biocon became one of the first companies to receive approval for a liraglutide generic in the United Kingdom in March 2024, paving the way for broader generic competition in the GLP-1 segment. This approval was soon followed by approvals in the EU for liraglutide in June 2024 and in the US for exenatide and liraglutide in December 2024 by other companies.
- **Efficacy of Next-Generation GLP-1 and Combinatorial Agents:** The new wave of GLP-1-based therapies, including GLP-1/GIP co-agonists and triple agonists, is demonstrating superior efficacy across a broader patient population. These agents offer more than 15–25% weight loss, substantially higher than previous-generation therapies[23], while simultaneously improving cardiovascular and renal outcomes. Their differentiated profile will potentially drive exponential demand across multiple segments of the cardiometabolic spectrum.
- **Oral and Long-Acting Formulations to Broaden Adoption:** Novel delivery mechanisms such as oral tablets and long-acting injectables are expected to enhance accessibility, adherence, and patient convenience. Oral orforglipron has completed Phase 3 of clinical trials, and oral semaglutide has already shown promising uptake.

- [20] Pathophysiology of obesity and its associated diseases
- [21] World Obesity Atlas; WHO: Obesity and Overweight
- [22] World Obesity Federation
- [23] Pharmacologic Treatment of Overweight and Obesity in Adults

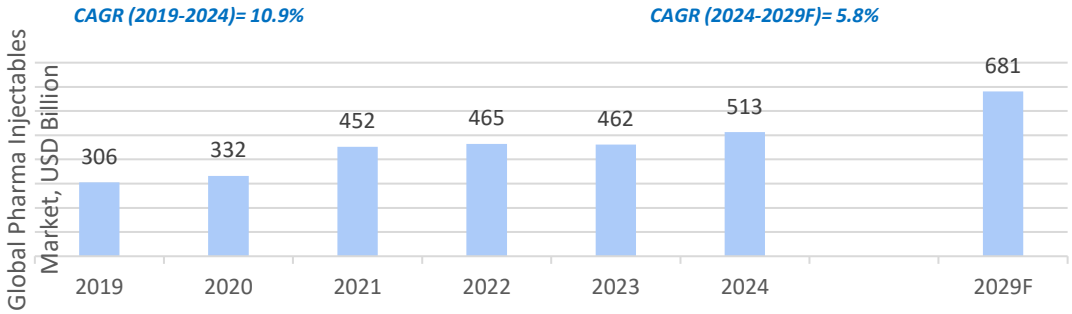
Further advancements in oral or monthly injectable formulations may increase the addressable market, especially among non-insulin-dependent and obesity-only populations.

- **Expanding Access and Favorable Reimbursement Trends:** As payer awareness of obesity's economic burden increases, reimbursement for GLP-1s is improving, particularly in developed markets. Wider access, including recent US Medicare coverage shifts and employer-based wellness programs, is expected to fuel broader patient uptake.
- **Broad Therapeutic Potential:** GLP-1 drugs are showing efficacy beyond glycemic control and weight loss, with ongoing trials investigating their benefits in heart failure, NASH, Chronic Kidney Disease (CKD), Alzheimer's, and Polycystic Ovary Syndrome (PCOS). This broadening clinical utility enhances the addressable market and reinforces the long-term growth trajectory.

Injectable Drugs

Injectables have emerged as the fastest-growing drug delivery segment, outpacing traditional oral solids growth by 2X due to their superior bioavailability, rapid therapeutic action, and ability to address the limitations of oral drug absorption. Additionally, innovations in delivery technologies, such as prefilled syringes, autoinjectors, and long-acting formulations, are enhancing patient convenience and adherence, further driving their uptake.

Exhibit 2.6: Global Pharma Injectables Market, 2019-2029F



Source: Evaluate Pharma, Frost & Sullivan
Note: F - Forecast

Exhibit 2.6B: Global Pharma Injectables Market, 2019-2029F (INR Trillion)

Years	2019	2020	2021	2022	2023	2024	2029F
Global Pharma Injectables Market	26	29	39	40	40	44	59

Source: Evaluate Pharma, Frost & Sullivan

Note: F - Forecast

Injectable drugs have become an indispensable modality in modern medicine, offering superior efficacy, rapid onset, and high bioavailability, particularly essential for delivering complex, unstable, or large-molecule therapeutics. The injectable format has benefited substantially from the pharmaceutical industry's shift toward biologics, including peptides, monoclonal antibodies, and gene or cell therapies.

As the pipeline continues to tilt toward these advanced therapies, injectables have cemented their role in treating a broad range of chronic and acute conditions, including cancer, autoimmune diseases, metabolic disorders, and infectious diseases. Between 2019 and 2024, the global injectables market grew from USD 306 billion (INR 26 trillion) to USD 513 billion (INR 44 trillion), reflecting a robust CAGR of 10.9%. Continued innovation and the rise of precision medicine are expected to sustain this momentum, with the market forecast to reach USD 681 billion (INR 59 trillion) by 2029, growing at a CAGR of 5.8% from 2024 to 2029. The injectable route remains the dominant formulation for high-value and life-saving drugs, especially in hospital and specialty care settings. In addition to their expanding therapeutic utility, injectables are favoured for their ability to support sustained or targeted delivery, reduce dosing frequency, and improve adherence in chronic conditions. With rising demand for long-acting formulations, prefilled syringes, and autoinjectors, injectables are at the forefront of patient-centric drug delivery innovation. As biologics and specialty drugs continue to gain market share, the injectable segment is poised to remain a key driver of pharmaceutical growth globally.

Market Dynamics and Growth Drivers

- **Rising Share in Pipelines and Approvals:** Injectables are becoming increasingly central to pharmaceutical innovation. In 2019, they represented 55% of drug candidates in development, rising to over 64% by 2024[24]. This growth is echoed in approvals—injectable small-molecule drugs approved by the FDA rose from 99 in 2019 to nearly 129 in 2024[25]. Nearly all biologics—including antibodies, cell and gene therapies, and protein or peptide-based drugs—are injectables, punctuating their importance in modern therapeutics.
- **Stronger Pricing Power and Limited Competition:** Injectables are relatively more insulated from price erosion than oral solids. The price erosion for injectables averages around 70%, versus up to 95% for oral drugs. This dynamic, combined with complex manufacturing, often makes the injectable segment often more economically attractive.
- **Shortages and Supply Chain Fragility**: Injectables are disproportionately affected by supply shortages. In the US, they accounted for 55% of all reported drug shortages in 2024, up from 39% in 2019[26]. The injectable market's reliance on a narrow supplier base for APIs, excipients, and specialized components like vials and prefilled syringes exacerbates vulnerability. With fewer manufacturers per molecule (15 vs. 22 for oral drugs), even minor disruptions can create sustained supply gaps.
- **Technological Advancements and Application Expansion:** Innovations in drug delivery systems, such as long-acting injectables (LAIs), nanoparticle-based formulations, and sustained-release biologics, are enhancing therapeutic efficacy, reducing dosing frequency, and improving patient adherence. The development of advanced delivery devices, including prefilled syringes, auto-injectors, and wearable injectors, has further streamlined administration, making injectables more accessible for self-administration and home healthcare.
- **High Barriers to Entry owing to:**
    - **High Manufacturing and Capital Barriers:** Injectable manufacturing is complex and capital-intensive. It requires sterile environments, aseptic fill-finish operations, lyophilization, and advanced contamination controls. Moreover, in contrast to high-throughput oral formulations, injectables demand compliance with strict standards, limiting global production capacity.
    - **Regulatory Complexity:** Regulatory scrutiny for injectables is significantly more stringent. Agencies like the US FDA and European Medicines Agency (EMA) impose rigorous requirements for sterility, endotoxins, and particulate matter. Post-approval changes can trigger resubmissions, prolonging timelines. Unlike oral generics, injectable generics often require clinical trials for bioequivalence, further complicating development and increasing costs.
    - **Specialized Technical Know-how:** Injectables manufacturing requires skilled personnel to avoid batch failures, however, there is a global shortage of experts in sterile drug manufacturing. This talent gap adds another layer of constraint on production and scale-up.

Biosimilars

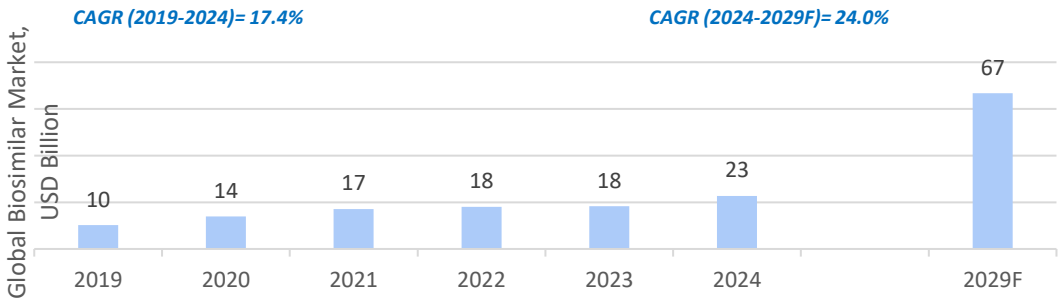
An upcoming patent cliff, growing acceptance among physicians and patients as an affordable and sustainable alternative to biologics with comparable clinical outcomes, and incentives from regulators and payers are paving the way for double-digit growth in the global biosimilars market, continuing the historical growth trajectory.

[24] Citeline: R&D Annual Review 2019 and 2024

[25] FDA Data Analysis

[26] ASHP : Drug Shortage Report

Exhibit 2.7: Global Biosimilars Market, 2019-2029F



Source: Evaluate Pharma, Frost & Sullivan
Note: F - Forecast

Exhibit 2.7B: Global Biosimilars Market, 2019-2029F (INR Billion)

Years	2019	2020	2021	2022	2023	2024	2029F
Global Biosimilars Market	879	1,199	1,477	1,551	1,584	1,959	5,745

Source: Evaluate Pharma, Frost & Sullivan

Note: F - Forecast

Biologics, which accounted for 12 of the top 15 best-selling drugs in 2024, have established themselves as a key growth driver of the global pharmaceutical market. However, their high development costs translate into steep treatment prices, often posing significant affordability challenges. In the United States, annual treatment costs typically range from USD 10,000 to 30,000 per year[27] (INR 861,450 to INR 2,584,350), and in many cases, far exceed this, placing these therapies out of reach for many patients lacking comprehensive insurance coverage, and becomes a more pronounced problem in low- and middle-income countries (LMICs). Biosimilars have rapidly emerged as cost-effective alternatives, expanding access to biologic therapies across an increasing range of indications. By providing comparable efficacy and safety, biosimilars are unlocking access to critical biologics for a wider patient population while introducing much-needed competition. This has led to meaningful cost savings in established markets and greater affordability in lower-resource settings.

A diverse portfolio of biosimilars has been developed to mirror some of the most clinically important and widely used biologic therapies. These include monoclonal antibodies (e.g., trastuzumab, bevacizumab, adalimumab), granulocyte-colony stimulating factors (e.g., filgrastim and pegfilgrastim), erythropoiesis-stimulating agents (e.g., epoetin alfa), and insulins (e.g., insulin glargine, insulin aspart), to name a few. Each of these categories addresses essential therapeutic needs and remains irreplaceable in clinical practice. For instance, monoclonal antibodies are critical in oncology and autoimmune disease management, while Granulocyte-colony stimulating factor (G-CSFs) are indispensable for managing chemotherapy-induced neutropenia. Similarly, despite the availability of newer glucose-lowering therapies, insulins continue to be the standard of care, especially for patients with advanced disease or those who fail to achieve glycemic targets with oral agents.

Global biosimilar sales reached USD 23 billion (INR 1,959 billion) in 2024, up from USD 10 billion (INR 879 billion) in 2019, reflecting a CAGR of 17.4%. Continued momentum is expected, with the market projected to grow at a CAGR of 24.0% from 2024 to 2029, reaching USD 67 billion (INR 5,745 billion) by 2029. As of 2024, biosimilars represent approximately 5% of the overall biologics market, a share expected to rise to 8% by 2029, driven by expanding portfolios, rising uptake, and improved prescriber and payer confidence.

The success of biosimilars can be attributed to several factors, including the commercialization of new biosimilars in established markets and the increased uptake of existing biosimilars in other markets[28]. Established markets, as front-runners in biosimilar adoption, have realized substantial cost savings, therefore encouraging broader adoption of new biosimilars in therapeutic areas burdened by high expenses. Meanwhile, in other markets, the need for access to otherwise unaffordable originator biologics is significantly accelerating the uptake of existing biosimilars, further propelling market expansion.

- [27] NIH: National Library of Medicine
- [28] Other markets include all the countries not included in Europe, JANZ, and the US

Most importantly, biosimilars can reduce treatment costs. The favorable cost-to-benefit ratio associated with biosimilars has led to over 80% penetration in several major markets[29] and 90% penetration in some established European markets for certain therapeutic areas[30]. Beyond cost savings, the introduction of biosimilars has, in some cases, generated 2–5% incremental annual volume demand for the molecule[31].

As biologics continue to dominate pipelines and treatment paradigms, biosimilars are poised to play an increasingly strategic role in balancing innovation with sustainability across global healthcare systems. Some of the key growth drivers that could potentially propel the biosimilar market to surpass global pharmaceutical and biologic market growth are discussed below.

Market Dynamics and Growth Drivers

- **Accelerating Biosimilar Uptake**: Biosimilar market penetration varies significantly across regions and therapeutic areas, influenced by factors such as tender-based procurement favoring price discounts, higher patient turnover in acute treatments, the number of competitors, and their respective capabilities. The biosimilar landscape has evolved rapidly, with uptake driven by regulatory endorsement, growing clinical confidence, and mounting cost pressures. Initial skepticism around biosimilars, particularly regarding safety, efficacy, and interchangeability, has waned as regulatory bodies like the EMA and FDA established rigorous approval pathways. The availability of strong clinical trial outcomes and real-world evidence has further enhanced trust among prescribers and patients. Simultaneously, rising healthcare costs and the need for more affordable biologic therapies have led healthcare systems to actively encourage biosimilar use. Educational initiatives targeting providers, patients, and policymakers have helped dismantle misconceptions, further facilitating adoption. The increasing expertise of biosimilar manufacturers in commercialization, supply chain management, and regulatory navigation has also accelerated uptake. In mature markets, biosimilars are now widely recognized as cost-effective alternatives, with newer biosimilars consistently achieving faster and broader adoption. For instance, oncology biosimilars like bevacizumab and trastuzumab, launched in the US in 2019, achieved volume market shares of 82% and 78%, respectively, within three years, far surpassing first-generation biosimilars such as filgrastim, which reached only 60% over the same timeframe after its 2013 launch[32]. A similar trend is evident in Europe, where the average uptake of next-generation biosimilars launched after 2018 has surpassed 90% penetration in some cases within five years. For example, Bevacizumab biosimilars accounted for 93% of the biologic volume share in Europe in 2024. (Frost & Sullivan analysis using data from the following source: IQVIA MIDAS® quarterly volume sales data for the period MAT Q4 2023 and MAT Q4 2024.) With a strong pipeline of next-generation biosimilars expected over the next five years, and growing confidence in their clinical and economic value, market penetration is anticipated to deepen further across both established and emerging markets. The table below exemplifies the biosimilar penetration across markets and different molecules.

Exhibit 2.8: Biosimilar Penetration by Volume for Select Products, 2023 and 2024

Market/ Molecule	Global		US		Europe + JANZ		Other Markets	
Years	2023	2024	2023	2024	2023	2024	2023	2024
Adalimumab	42%	51%	2%	14%	67%	72%	54%	59%
Bevacizumab	80%	84%	87%	89%	75%	83%	80%	83%
Pegfilgrastim	73%	81%	42%	57%	69%	77%	95%	97%
Trastuzumab	60%	62%	83%	84%	59%	60%	53%	57%
Insulin Glargine	35%	39%	33%	29%	33%	36%	37%	48%
rh-Insulin	33%	37%	NA	NA	15%	10%	40%	45%

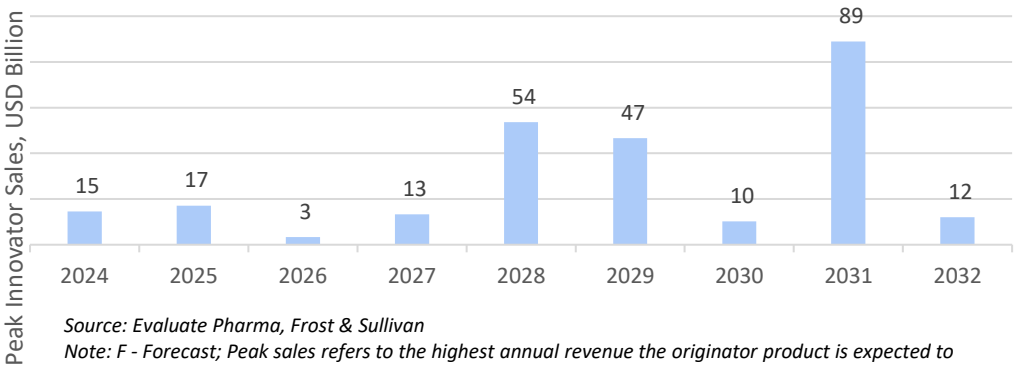
Source: Frost & Sullivan analysis using data from the following source: IQVIA MIDAS® quarterly volume sales data for the period MAT Q4 2023 and 2024.
Note: Insulin Glargine Products include only Lantus and its biosimilars and exclude Toujeo. NA indicates the biosimilar not launched.

- [29] Major markets include established markets such as the US, Europe, Japan, and Australia, with more defined regulations
- [30] Report from IQVIA Institute for Human Data Science - The Impact of Biosimilar Competition in Europe, 2023
- [31] Report from IQVIA Institute for Human Data Science – Biosimilars in the United States 2023 - 2027, January 2023
- [32] IQVIA – Biosimilars in the United States

- **Favorable Reimbursement Policies:** Reimbursement policies play a pivotal role in biosimilar adoption by shaping physician prescribing behavior and patient access through financial incentives. Both public and private payers have introduced measures to encourage biosimilar use and manage rising healthcare costs. In the US, the Inflation Reduction Act (IRA) of 2022 introduced negotiated drug pricing and increased reimbursement for biosimilars to Average Selling Price (ASP) + 8%[33] of the reference product's ASP, compared to the 6% for originators[34]. This differential, in effect until 2027, incentivizes physicians to prescribe biosimilars. Private payers like UnitedHealthcare and Express Scripts are expanding biosimilar coverage with lower copays and provider incentives, while Medicaid plans, such as California's, have implemented mandatory substitution policies to favor affordable biosimilars. Other countries are also advancing biosimilar-friendly reimbursement. Australia launched a USD 20 million (INR 2 billion) awareness campaign and integrated 12 biosimilars into its PBS by 2024[35]. The UK and Germany promote biosimilars by encouraging the prescription of lower-cost treatments, while Japan mandates 80% generic use, extending similar policies to biosimilars[36]. China has expanded its National Reimbursement Drug List (NRDL) to include more biosimilars, and Brazil reimburses biosimilars through Sistema Único de Saúde/ Unified Health System (SUS) at parity with reference products. Supportive reimbursement strategies are providing thrust in improving biosimilar uptake, reducing treatment costs, and broadening patient access to biologics.
- **Conducive and Harmonized Regulations**: Regulations are central to ensuring biosimilar safety, quality, and efficacy while influencing market competitiveness and stakeholder acceptance. Globally, regulatory frameworks are becoming more harmonized, often modeled on EMA and WHO guidelines. The EMA pioneered biosimilar regulations in 2005, followed by the WHO's global framework in 2009. The US FDA adopted a similar approach under the Biologics Price Competition and Innovation Act (BPCIA) of 2010, enabling an abbreviated approval pathway by demonstrating similarity to a reference biologic. However, regulatory requirements vary across markets; Europe permits substitution at the pharmacy level, while the US requires additional switching studies for interchangeability designation. Despite these differences, many countries are aligning their frameworks with global standards. For example, Australia has adopted EU guidelines wholesale, while Singapore and Malaysia have made minor modifications. Brazil, through its 2023 reforms, now permits technical justifications in place of certain clinical studies and allows international comparators. India is also advancing, allowing reference biologics approved in ICH countries. Recent US reforms aim to reduce regulatory and legal barriers. The Biosimilar Red Tape Elimination Act proposes removing the requirement for switching studies, and the anti-patent thicketing bill seeks to curb patent misuse, delaying biosimilar entry. The Federal Trade Commission (FTC) is also examining Pharmacy Benefit Management (PBM) practices to prevent biases against affordable biosimilars. Resultantly, evolving and harmonized regulations are expediting biosimilar development, lowering costs, improving market access, and facilitating broader adoption.
- **Upcoming Patent Cliff Unlocking New Opportunities:** As numerous biologics approach the end of their patent life, biosimilars are entering the market, offering significant cost savings for healthcare systems and improving patient access to advanced treatments. Between 2024 and 2032, over 50 biologics are expected to lose patent protection and exclusivity[37], representing an opportunity of approximately USD 260 billion (INR 22 trillion)[38] based on the peak sales generated/forecasted between 2019 and 2030. This includes more than 40 blockbuster drugs with annual peak sales exceeding USD 1 billion (INR 86 billion). This period is expected to pave the way for increased biosimilar market entry.

- [33] The 8% add-on payment for biosimilars is only available for qualifying biosimilars whose ASP is less than or equal to the ASP of the reference biological product
- [34] Center for Medicare & Medicaid Services
- [35] Generics and Biosimilars Initiative
- [36] JPMA Industry Vision 2025
- [37] The opportunity is indicative since patent litigation and other factors can delay or advance the launch of biosimilars
- [38] Evaluate Pharma, Total based on annual global revenue in the year before patent expiry. Values are indicative.

Exhibit 2.9: Upcoming Opportunities in the Global Biosimilars Market, 2019-2032F



Source: Evaluate Pharma, Frost & Sullivan
Note: F - Forecast; Peak sales refers to the highest annual revenue the originator product is expected to generate before patent loss between 2019 and 2030; the opportunity is indicative since patent litigation and other factors can delay or advance the launch of biosimilars; current analysis based on last year of patent expiry

Exhibit 2.9B: Upcoming Opportunities in the Global Biosimilars Market, 2019-2032F (INR Billion)

Years	2024	2025	2026	2027	2028	2029	2030	2031	2032
Peak Innovator Sales	1,258	1,470	285	1,143	4,619	4,015	874	7,661	1,037

Source: Evaluate Pharma, Frost & Sullivan

Note: F - Forecast

- **High Barriers to Entry owing to:**
    - **Regulatory Complexity and Variability:** Biosimilars face complex regulatory approval processes involving extensive clinical trials and pharmacovigilance to demonstrate similarity to reference biologics. Regulatory standards, definitions, and approval pathways vary significantly across countries, requiring deep expertise and adaptability. This challenge is intensified by evolving frameworks that often change during the approval process. Maintaining compliance amid such regulatory diversity demands both agility and market insight. Nonetheless, established biosimilar players have successfully navigated this complexity. For instance, as of March 2025, Biocon Biologics has secured approvals for ten biosimilars from major agencies such as the US FDA, Europe's EMA, and Japan's Pharmaceuticals and Medical Devices Agency (PMDA), and commercializes its products in 120 countries[39].
    - **High Development and Production costs:** Biosimilar development demands significant R&D investments and the setup of advanced manufacturing facilities. Typically, developing a biosimilar costs between USD 50 million (INR 4 billion) and USD 200 million (INR 17 billion), while establishing large-scale biotech facilities can require an additional USD 200 million (INR 17 billion) to USD 500 million[40] (INR 43 billion). These facilities take four to five years to build and are costly to operate due to complex processes, high raw material costs, and the need for skilled personnel. This capital-intensive model makes rapid scale-up difficult for new entrants. Companies that successfully manage large-scale operations, ensure regulatory compliance, and adopt advanced technologies early gain a competitive edge. As an illustration, Biocon Biologics leverages tools like mass spectrometry and the Multi-Attribute Method (MAM) to reduce reliance on clinical trials, potentially cutting development costs.
    - **Manufacturing and Quality Control Process Complexity:** Unlike small-molecule drugs that are chemically synthesized, biosimilars are produced using living cells, making them inherently variable and subject to changes in the biological source over time. This creates challenges in maintaining product consistency. Manufacturing facilities must also comply with rigorous standards and undergo inspections by agencies such as the US FDA—non-compliance can lead to license revocation. To

- [39] Company Annual Report
- [40] Industry KOL Inputs

succeed, companies must ensure consistent product quality and robust process control. By way of example, Biocon Biologics has received over 80 cGMP approvals from more than 25 regulatory agencies, underscoring the complexity and high compliance burden in the biosimilar industry[41].

- **Intellectual Property and Legal Barriers:** Patent thickets and litigation from originator companies pose major hurdles for biosimilar manufacturers, often delaying launches and increasing costs. Navigating this landscape requires strong IP expertise. Biocon Biologics, for instance, secured market entry for its aflibercept biosimilar in Canada and the US through a settlement with Bayer and Regeneron and reached agreements with Janssen to commercialize its Stelara biosimilar in the US, EU, and Japan.
- **Advantages of Integrated Operations:** Fragmented operations involving multiple external partners can lead to coordination issues, quality inconsistencies, and a greater risk of disruption. In contrast, vertical integration—where all functions from R&D to commercialization are housed within one organization—enhances efficiency, alignment, and resilience. Companies like Biocon Biologics and Celltrion have embraced this model. Biocon Biologics, in particular, has implemented end-to-end vertical integration from R&D to clinical trials, regulatory affairs, IP management, manufacturing, logistics, and commercialization. By integrating vertically, manufacturers achieve increased global regulatory and clinical capabilities, alignment, more efficient processes, stronger operational resilience, and mitigate pricing pressures, leveraging their comprehensive control over the entire value chain to optimize performance and maintain a competitive edge.
- **Importance of Portfolio Strategy and Commercialization Strength:** Companies with both innovator drugs and biosimilars often deprioritize biosimilars to protect their high-margin brands. In contrast, pure-play biosimilar firms focus entirely on affordable alternatives but need to rely heavily on strong commercialization to succeed. Given the intense competition from both originators and other biosimilars, effective sales execution, provider engagement, and portfolio differentiation are key. Case in point, Biocon Biologics has built a balanced portfolio spanning insulins, where development is faster and less costly, and complex mAbs targeting high-value oncology and immunology markets, enabling broad therapeutic coverage and stronger market traction.
- **Need to be an Early Market Entrant:** Entering the biosimilar market early presents significant challenges yet offers substantial rewards for those who succeed. Challenges range from lengthy regulatory approval processes and extensive clinical trials to advanced manufacturing requirements. Despite these hurdles, early entrants can capture a higher market share by establishing their presence before competitors and building strong relationships with healthcare providers and patients. For example, Kanjinti, a trastuzumab biosimilar launched in July 2019, became the US market leader by Q4 2020 and held 36–37% market share by volume in Q4 2023[42]. To be the first to market, companies must invest heavily in R&D, streamline production, and navigate regulatory pathways efficiently. Strategic partnerships with experienced players can further accelerate entry. Biocon Biologics has consistently focused on early entry across key markets. In 2013, Biocon and Mylan received approval from the Drug Controller General of India (DCGI) for CanMab, the first biosimilar trastuzumab (Herceptin) approved in India, and launched it in 2014. In March 2016, Biocon's biosimilar insulin glargine became the first biosimilar from India to be approved in Japan, with FUJIFILM Pharma launching it later that year. In 2017, Biocon and Mylan co-developed Ogivri, the first FDA-approved biosimilar trastuzumab, making Biocon Biologics the first Indian company to secure a biosimilar approval from the US FDA. This was followed by the 2018 FDA approval and US launch of Fulphila, the first biosimilar pegfilgrastim. In 2021, Semglee, Biocon Biologics' insulin glargine biosimilar, became the first interchangeable biosimilar approved by the FDA and commercialized in the US. Most recently, in May 2024, Biocon Biologics received FDA approval for Yesafili, the first interchangeable biosimilar to Eylea (aflibercept), reinforcing its continued commitment to early market entry.

[41] Company Annual Report

[42] Samsung Bioepis: Biosimilar Market Report Q2 2024

COMPETITIVE LANDSCAPE OF THE GLOBAL PHARMA MARKET

Global Generics Market

The pharmaceutical market is witnessing intensifying competition in the generic formulations space, driven by the sector's large addressable market, sustained demand across chronic and acute indications, and growing cost-containment measures globally. The attractiveness of this space has prompted participation from both established multinational giants and emerging players, particularly from India, which continues to dominate the global generics supply chain. Amid this competitive surge, companies are seeking to differentiate through forward integration, pipeline depth, therapeutic breadth, and regulatory reach. Among Indian firms, Biocon stands out for the diversity and commercial relevance of its formulation portfolio.

Biocon has built a robust and forward-integrated generics business that spans 80+ generic formulation products, covering a wide range of therapeutic areas, including both high-growth segments (like diabetes and oncology) and high-volume established segments (such as anti-infectives and cardiovascular disorders). Across the company's portfolio of launched and pipeline products, notably, 18 of these formulations correspond to the top 100 generic molecules globally (by sales), and 17 are classified as blockbuster products, each exceeding USD 1 billion (INR 86 billion) in annual sales.

Global Biosimilars Market

The global biosimilar market is experiencing a notable surge in competition, fueled by its inherent attractiveness, driven by its size, growth prospects, and the sector's critical role in healthcare. As a result, an influx of companies, ranging from multinational powerhouses to emerging biotech, are entering the fray, intensifying competition as each strives to capture a slice of this lucrative market. In the US and Europe, while nearly 50 companies have received approvals for biosimilars (75+115 biosimilars) as of 15th May 2025, the approval portfolio remains concentrated, with fewer than 10 companies with more than 10 approvals[43]. This high degree of concentration with established biosimilar companies is attributable to a combination of capacity for manufacturing biosimilars as well as their business strategies, including acquisition, in-licensing, and out-licensing deals to gain rapid access to new product portfolios and global markets.

For instance, India-headquartered Biocon Biologics has secured ten biosimilar approvals across the US, Europe, and other markets, and commands a significant—often double-digit—market share in several of these regions, as illustrated below.

Figure 3.1: Biocon Biologics' Market Share by Volume in the Biologic Market for Select Products, Q4 2023 & 2024

Market/ Molecule	Q4 2023		Q4 2024	
Region	US	Europe + JANZ	US	Europe + JANZ
Pegfilgrastim	16% (Biosimilar launched in 2018)	6% (Biosimilar launched in 2020)	30%	6%
Trastuzumab	11% (Biosimilar launched in 2019)	5% (Biosimilar launched in 2019)	25%	8%
Insulin Glargine U100	11% (Biosimilar Launched in 2020)	4% (Biosimilar launched in 2016-2019)	11%	3%
Bevacizumab	(Not yet launched)	4% (Biosimilar launched in 2021-2022)	(Not yet launched)	6%
Adalimumab	< 1% (Biosimilar launched in 2023)	6% (Biosimilar launched in 2018-2021)	< 1%	5%

Source: Frost & Sullivan analysis using data from the following source: IQVIA MIDAS® quarterly volume sales data for the period MAT Q4 2023 and 2024.

- [43] Country's Regulatory Websites, GABI

Note: Trastuzumab includes IV and Subcutaneous formulations. In the IV formulation segment, Biocon Biologics' market share is 12% and 26% in the US market in Q4 2023 and Q4 2024, respectively.

Data for calendar year (January to December)

Market value is often distorted by dual pricing, discounting, rebates, tender-based procurement, and regional and corporate policy heterogeneity. Volume, by contrast, offers a more consistent and accurate measure of market dynamics and is therefore preferred for market share calculations; the Biologic market includes originator and biosimilars.

Biocon Biologics has been steadily growing its market share, such as marked by a sharp rise in Pegfilgrastim's US market share by biologic volume from 16% in Q4 2023 to 30% in Q4 2024. In several key European geographies as well, the company has secured double-digit biologic volume market shares, including 42% for Bevacizumab in Italy, 18% for Adalimumab in Germany, and 14% for Pegfilgrastim in France. (Frost & Sullivan analysis using data from the following source: IQVIA MIDAS® quarterly volume sales data for the period MAT Q4 2023 and MAT Q4 2024.)

Biocon Biologics has also made strong inroads into emerging markets, securing leading positions by biologic volume in several countries. In South Africa, it holds the top rank with a 72% share for Bevacizumab, 48% for Pegfilgrastim, and ranks second for Trastuzumab IV with 27%. In Mexico, it leads with 87% market share for rh-Insulin and 54% for insulin glargine U100. Similarly, in Malaysia, it ranks first in rh-Insulin with a 61% share and second in Bevacizumab with 41%, highlighting the company's growing strength and competitiveness across both developed and emerging markets. (Frost & Sullivan analysis using data from the following source: IQVIA MIDAS® quarterly volume sales data for the period MAT Q4 2023 and MAT Q4 2024).

In addition to marketing products under its own brand, Biocon Biologics collaborates with several global partners to expand its reach. In 2024, leveraging this dual-channel strategy, the company, along with its partners, emerged as the third-largest supplier by biologic volume of both rh-Insulin and insulin glargine U100 worldwide. Moreover, the company ranked among the top five suppliers by biologic volume in 2024 across the entire insulin market, including basal, rapid-acting, and premixed insulins such as glargine, lispro, degludec, and detemir, among others. (Frost & Sullivan analysis using data from the following source: IQVIA MIDAS® quarterly volume sales data for the period MAT Q4 2023 and MAT Q4 2024).

This growth trajectory underscores the company's robust pipeline and commercial success in the global biosimilar market. As of March 2025, Biocon Biologics emerged among the top 5 global biosimilar companies based on revenue during CY2024/ FY2025. Additionally, as of May 2025, Biocon Biologics boasts one of the largest biosimilar pipelines with 10 products in various stages of development, in comparison to an industry average of ~3[44]. This pipeline density is on par with global biopharmaceutical giants and addresses more than a USD 130 billion (INR 11 trillion) market opportunity[45]. Biocon Biologics is also ranked among the top 15 biopharma manufacturers based on its biomanufacturing capacity in 2024[46]. This dual focus on pipeline development and manufacturing scale-up has allowed the company to serve 120+ markets as of May 2025.[47]

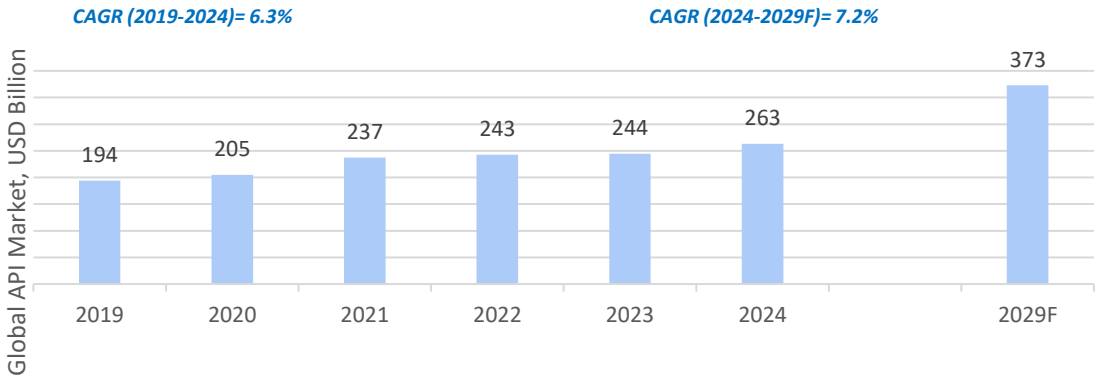
GLOBAL ACTIVE PHARMACEUTICAL INGREDIENT (API) MARKET OVERVIEW

Overview of the Global API Market

The global API market is expanding as rising demand for generics and increasing prevalence of chronic diseases drive volume, while complex, specialty, high-value molecules boost market value. Technological advances in synthesis, process optimization, and automation are streamlining production, enhancing efficiency, and improving quality.

- [44] PharmaProjects
- [45] Market opportunity based on 2024 sales of originators
- [46] BioProcess International
- [47] Company Annual Report

Exhibit 4.1: Global API Market, 2019-2029F



Source: Frost & Sullivan
Note: F - Forecast

Exhibit 4.1B: Global API Market, 2019-2029F (INR Trillion)

Years	2019	2020	2021	2022	2023	2024	2029F
Global API Market	17	18	20	21	21	23	32

Source: Evaluate Pharma, Frost & Sullivan

Note: F - Forecast

The Active Pharmaceutical Ingredient (API) constitutes the core therapeutic component of any drug, fundamentally influencing its efficacy, safety, and pharmacological action. Demand for APIs correlates directly with pharmaceutical consumption, which continues to expand globally due to the rising prevalence of chronic diseases, increasing healthcare access, and growing purchasing power, particularly in emerging markets. Strengthening healthcare infrastructure and improved affordability have further accelerated pharmaceutical uptake, thereby driving demand for APIs.

The global API market reached approximately USD 263 billion (INR 23 trillion) in 2024 and is projected to grow at a CAGR of 7.2% between 2024 and 2029 to reach USD 373 billion (INR 32 trillion) by 2029, following a CAGR of 6.3% during the 2019–2024 period. Market growth is supported by the expanding use of both innovative and generic therapies, alongside a gradual shift toward more complex formulations, such as Highly Potent APIs (HPAPIs) and fermentation-derived compounds. These APIs, often used in oncology and immunology, offer enhanced therapeutic value and are commanding a growing share of the market. While the market continues to be led by small-molecule APIs, accounting for approximately 70-75% of total value in 2024, biological APIs represent the remaining 25-30%, reflecting increasing use of biologics in modern treatment paradigms. Both segments are poised to benefit from ongoing technological innovation, evolving disease burden, and favorable regulatory reforms, ensuring a robust expansion trajectory through the end of the forecast period.

Growth Drivers of the Global API Market

Increasing volume demand from generics and value demand from specialty innovators continue to drive growth in the API market. Moreover, regulatory and commercial pressure to diversify sourcing to more dependable geographies is attracting investment in new regional hubs and adding supply chain resilience while ensuring consistent supply in the market. Meanwhile, technological advances in synthesis and process efficiency are improving yields, cost structures, and quality standards, further enhancing the segment's global competitiveness.

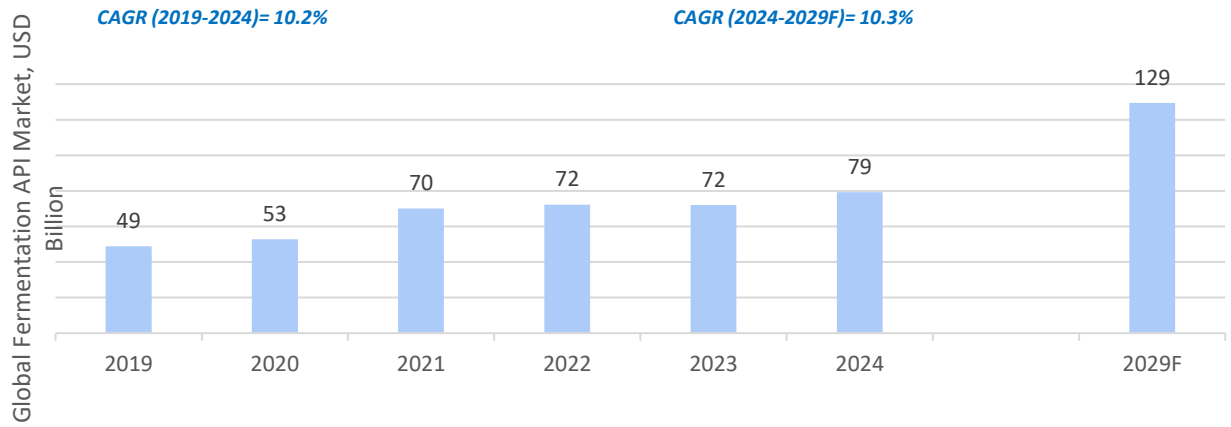
Some of the key drivers sustaining growth momentum in the API segment are highlighted below.

Key Growth Opportunities in the API Market

Fermentation APIs

Growing demand for sustainable manufacturing, expanding applications in biologics and oncology, and the ability of fermentation to enable the production of complex molecules with high purity are driving sustained growth in the global fermentation-based API market.

Exhibit 4.2: Global Fermentation API Market, 2019-2029F



Source: Frost & Sullivan
Note: F - Forecast

Exhibit 4.2B: Global Fermentation API Market, 2019-2029F (INR Billion)

Years	2019	2020	2021	2022	2023	2024	2029F
Global Fermentation API Market	4,200	4,556	6,034	6,225	6,206	6,822	11,152

Source: Evaluate Pharma, Frost & Sullivan

Note: F - Forecast

Fermentation APIs are active pharmaceutical ingredients manufactured using microbial or cell-based systems rather than traditional chemical synthesis. Historically central to the production of antibiotics and vitamins, fermentation technologies were once foundational to pharmaceutical manufacturing. While advances in synthetic chemistry later dominated small molecule production, fermentation has remained essential for complex molecules that are difficult or inefficient to synthesize chemically. In recent years, its relevance has broadened significantly, particularly as pharmaceutical pipelines have shifted toward structurally complex, chiral, or biologically derived compounds.

The renewed interest in fermentation-based manufacturing is driven by a combination of scientific, economic, and environmental factors. Many high-value therapies, such as hormones, statins for cardiovascular disease, and immunosuppressants used in organ transplantation, continue to rely on fermentation for consistent and scalable production.

The global fermentation API market reached USD 79 billion (INR 6,822 billion) in 2024 and is expected to expand to USD 129 billion (INR 11,152 billion) by 2029, driven by a 10.3% CAGR. This follows a comparable growth rate of 10.2% during the 2019–2024 period. The ability of fermentation to deliver APIs with high stereospecificity and minimal batch-to-batch variation is particularly valuable in oncology and immunology, where many therapies require precise targeting and pharmacokinetics.

Unlike traditional synthesis, fermentation processes can be rapidly optimized through advances in strain engineering, bioprocess control, and systems biology. These tools allow for greater yield, efficiency, and product consistency, strengthening the business case for fermentation even in areas where synthetic methods had previously been preferred. As biologics and complex molecules continue to reshape the therapeutic landscape, fermentation is repositioning itself not just as a legacy technology but as a strategic platform for modern pharmaceutical production.

Market Dynamics and Growth Drivers

- **Technological Advancements Enhancing Yield and Efficiency:** The integration of synthetic biology, high-throughput screening, CRISPR-based strain engineering, and AI-enabled bioprocess optimization is significantly improving fermentation productivity, reducing batch variability, and lowering the cost of production. These innovations are expanding fermentation's utility beyond traditional applications into complex and high-value APIs.
- **Cost Efficiency:** Fermentation-based production of APIs offers compelling cost advantages over traditional chemical synthesis for complex molecules. By leveraging microbial hosts to directly biosynthesize target compounds, fermentation reduces the number of synthetic steps, minimizes reliance on expensive reagents and solvents, and enables the use of low-cost renewable feedstocks. This streamlined approach not only lowers raw material and energy costs but also enhances scalability—once optimized, fermentation systems can be expanded to large bioreactors, significantly reducing the cost per unit as fixed costs are amortized over greater volumes. Additionally, advances in synthetic biology and metabolic engineering continuously improve microbial strains for higher yields and faster production rates, further driving down the cost per gram of product.
- **Strategic Shift from China to India:** Rising geopolitical concerns, supply chain vulnerabilities, and stricter environmental norms have led to a gradual shift in fermentation API production away from China. India is emerging as a competitive alternative, supported by regulatory reforms, financial incentives under the PLI scheme, and increasing investments by domestic players to scale up fermentation infrastructure and capabilities.
- **Favorable Regulatory Environment and Policy Support:** India’s evolving regulatory framework—including faster environmental clearances, quality benchmarking for fermentation facilities, and infrastructure support through industrial clusters—is improving investor confidence and enabling domestic companies to scale up production while maintaining compliance with global GMP standards.
- **Rising Demand for Complex Molecules and Biotech-Enabled Small Molecules:** As the pharmaceutical industry expands its focus on targeted therapies, immunosuppressants, anti-infectives, and metabolic drugs, many of which are inherently complex, fermentation is becoming the preferred platform due to its ability to produce stereochemically complex molecules with high purity and scalability.
- **Increased Outsourcing to CDMOs with Fermentation Capabilities:** Global pharmaceutical and biotech firms are increasingly outsourcing fermentation API production to specialized CDMOs with proven capabilities in microbial fermentation, downstream purification, and regulatory compliance. This trend is accelerating capacity utilization and spurring investments in advanced manufacturing by contract manufacturers.

- **Sustainability and Greener Manufacturing:** Compared to multi-step chemical synthesis, fermentation processes offer lower environmental impact, reduced solvent usage, and the ability to use renewable feedstocks. These attributes align with industry-wide goals for greener manufacturing and further incentivize the adoption of fermentation as a primary production method.
- **High Entry Barriers Ensuring Lean Competitive Landscape owing to:**
    - **High-Upfront-Capital-Intensive Infrastructure Requirements:** Establishing a commercial-scale fermentation facility demands multimillion-dollar investments in large-capacity bioreactors, downstream processing units (centrifugation, chromatography, filtration), clean room environments, and waste management systems.
    - **Advanced Process and Tech Expertise:** Fermentation involves living organisms, which introduces biological variability. Manufacturers need to possess deep technical know-how in microbial strain engineering, process control, and purification techniques to ensure consistent yields, purity, and regulatory compliance.
    - **Complex Operational Demands:** Continuous monitoring and precise control of temperature, pH, oxygenation, and nutrient feeding schedules are critical. Facilities also need to manage contamination risks and batch-to-batch variability through robust quality systems and trained personnel.
    - **Stringent Regulatory and Environmental Norms:** Adherence to stringent regulatory norms, such as those established by the US FDA, EU EMA, and local pollution control standards, necessitates high compliance costs, frequent audits, and complex documentation processes. Effluent treatment and emissions management are particularly challenging in fermentation-heavy operations.
    - **Extended Development and Scale-Up Timelines:** Unlike chemical synthesis, scaling up a fermentation process from lab to commercial production can take several years due to the need for iterative strain optimization, process validation, and regulatory filings, posing both time and capital risks for new entrants.

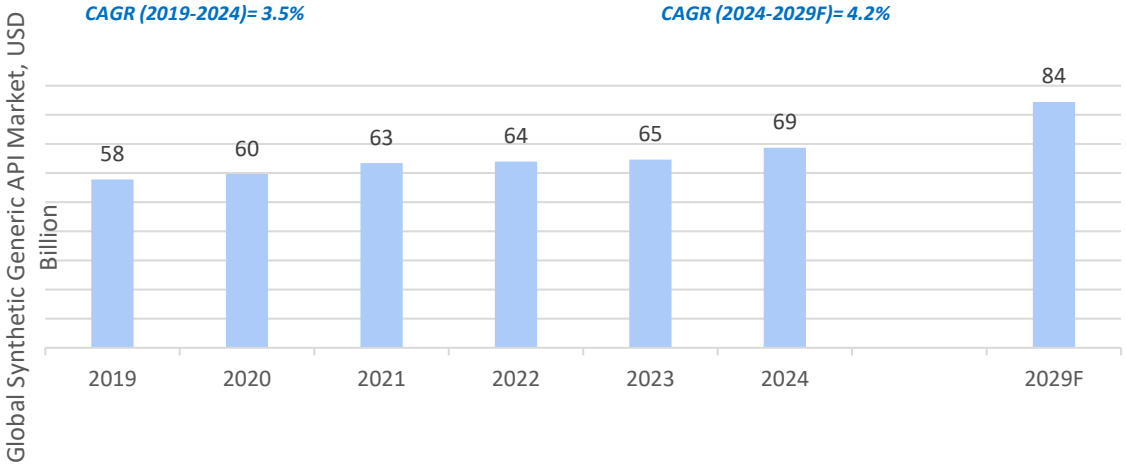
Synthetic Generic Drug APIs

Rising demand for affordable treatment options, expanding generic drug penetration across developed and emerging markets, and the scalability of chemical synthesis to support large-scale, cost-efficient production are driving high-volume growth in the global synthetic generic drug API market.

Generic drugs have enhanced affordability and drug access worldwide. As healthcare systems grapple with escalating costs, regulatory frameworks across major markets are intensifying efforts to encourage generic substitution. For example, the US FDA's policies accelerate generic approvals to promote competition, the European Union incentivizes generics via pricing and reimbursement reforms, and emerging markets like India and Brazil actively prioritize generics to expand healthcare coverage. Even traditional markets such as the Gulf Cooperation Council (GCC) region, which has historically favoured branded innovator drugs, have undertaken recent policy shifts, accelerating the adoption of generics. Governments are introducing pricing controls, mandatory generic substitution, and reimbursement reforms to contain costs.

Correspondingly, the global generic drug API market is experiencing parallel expansion. Approximately 70–80% of generic APIs are manufactured through synthetic chemistry, which remains the cornerstone for producing a broad spectrum of small-molecule drugs. The synthetic generic API market was valued at around USD 69 billion (INR 5,915 billion) in 2024 and is forecasted to grow at a CAGR of 4.2% through 2029, reaching USD 84 billion (INR 7,271 billion). Synthetic chemistry offers key advantages including scalability, precise molecular control, and robustness across diverse chemical classes—from simple molecules to multi-chiral, heterocyclic compounds, to name a few. Propelled by increasing generic drug penetration and rising chronic disease burdens, the segment will continue to retain its dominance.

Exhibit 4.3: Global Synthetic Generic API Market, 2019-2029F



Source: Frost & Sullivan
Note: F - Forecast

Exhibit 4.3B: Global Synthetic Generic API Market, 2019-2029F (INR Billion)

Years	2019	2020	2021	2022	2023	2024	2029F
Global Synthetic Generic API Market	4,976	5,139	5,462	5,512	5,570	5,915	7,271

Source: Evaluate Pharma, Frost & Sullivan

Note: F - Forecast

Market Dynamics and Growth Drivers

- **Expanding Generic Drug Market Fuels Volume Demand:** Global initiatives to reduce healthcare spending, improve drug accessibility, and incentivize generic use, supported by policies such as accelerated approvals and reimbursement reforms, are driving unprecedented volume growth. The increasing prevalence of chronic conditions such as cardiovascular disease, diabetes, and respiratory illnesses is further elevating generic consumption.
- **Major Patent Cliff Unlocks USD 114 Billion in Small Molecule Opportunities**: From 2025 to 2028, a significant number of blockbuster drugs are expected to lose patent protection, including high-revenue small molecules like Eliquis and Ibrance, opening up opportunity worth USD 114 billion[48] (approximately INR 10 trillion). This patent cliff is poised to introduce a wave of new generic APIs, expanding the product basket and intensifying competitive opportunities for manufacturers.
- **Peptide APIs Emerging as a New Growth Frontier:** Synthetic peptide APIs, particularly GLP-1 receptor agonists targeting diabetes and obesity, represent a rapidly growing segment. Upcoming patent expirations on drugs such as Trulicity (dulaglutide) and Ozempic (semaglutide) will trigger a surge in generic peptide API demand. Innovations in peptide synthesis and purification are enabling scalable, cost-effective production, positioning peptides as a major driver of future API market value.
- **Complex APIs Driving Value Growth:** Complex APIs—including Highly Potent Active Pharmaceutical Ingredients (HPAPIs), cytotoxic oncology drugs, and molecules with intricate stereochemistry—require advanced synthetic expertise and specialized manufacturing environments. These high-barrier, high-value products are increasingly important contributors to overall API market growth, offering differentiated commercial advantages to manufacturers capable of handling stringent safety and quality requirements.
- **Commercial and Technical Advantages of Synthetic APIs:** Synthetic APIs benefit from mature manufacturing platforms that provide consistent quality, high yields, and adaptability to scale. They allow precise control over molecular structure, facilitating the development of generics that meet strict regulatory standards. Additionally, continuous manufacturing and process intensification technologies are enhancing

- [48] IQVIA: Global Use of Medicines 2024

operational efficiency and sustainability, reinforcing synthetic chemistry's dominance in generic API production.

COMPETITIVE LANDSCAPE OF THE GLOBAL PHARMA API MARKET

The global API market is witnessing intensified demand for low-cost production sources amid rising demand for generics and a growing need for diversified, resilient supply chains. This dynamic environment has intensified competition among a diverse set of players, each leveraging unique capabilities and strategic advantages across the value chain.

Broadly, the API landscape comprises several archetypes. Vertically integrated manufacturers—often Indian or global formulation companies—capitalize on in-house API production to enhance cost efficiency, ensure supply reliability, and accelerate time-to-market. In contrast, pure-play API specialists focus exclusively on API development and supply, maintaining broad portfolios and serving as core suppliers to global formulation companies. Another category includes firms specializing in complex or niche APIs, such as fermentation-derived molecules, peptides, or oncology compounds, where advanced chemistry, yield optimization, and regulatory expertise provide key differentiation. CDMOs form another critical segment, offering tailored API services that span early-stage development to commercial-scale production for both innovators and generics.

Within this competitive and complex landscape, quality focus and regulatory credentials remain critical. There are more than 3,000 API manufacturers worldwide, with only ~20% of manufacturers that can meet the cGMP requirements, and most of these companies are based in the United States, Europe, Japan, China, and India. The number shrinks further for fermentation API companies. Today, India and China together account for over 60% of global API supply, with Indian companies emerging as significant global suppliers, particularly in synthetic APIs.

While fermentation-based API manufacturing remains more specialized and less crowded globally, Indian companies' presence is notably leaner, especially in key fermentation APIs like immunosuppressants and statins.

Biocon stands out prominently in this context. The company has developed a well-balanced API portfolio that spans both synthetic and fermentation-based molecules, supported by robust regulatory credentials and broad therapeutic coverage (> 10 therapy areas). Its portfolio includes 44 active APIs across a comprehensive mix of high-growth (e.g., oncology and peptides) and established therapeutic segments (e.g., CVS and CNS). Biocon's global reach is supported by 67 active US Drug Master Files (USDMFs) and 29 valid Certificates of Suitability (CEPs)[49]. Moreover, the company is a key global supplier of fermentation APIs such as immunosuppressants and statins, one of the only two Indian companies with measurable portfolios with approvals in regulated markets such as the US, Europe, and Japan.

Through its expanding portfolio of pipeline and commercialized APIs, the company caters to 22 of the top 100[50] formulations, 19 of which are blockbuster molecules with more than USD 1 billion (INR 86 billion) in annual revenues.

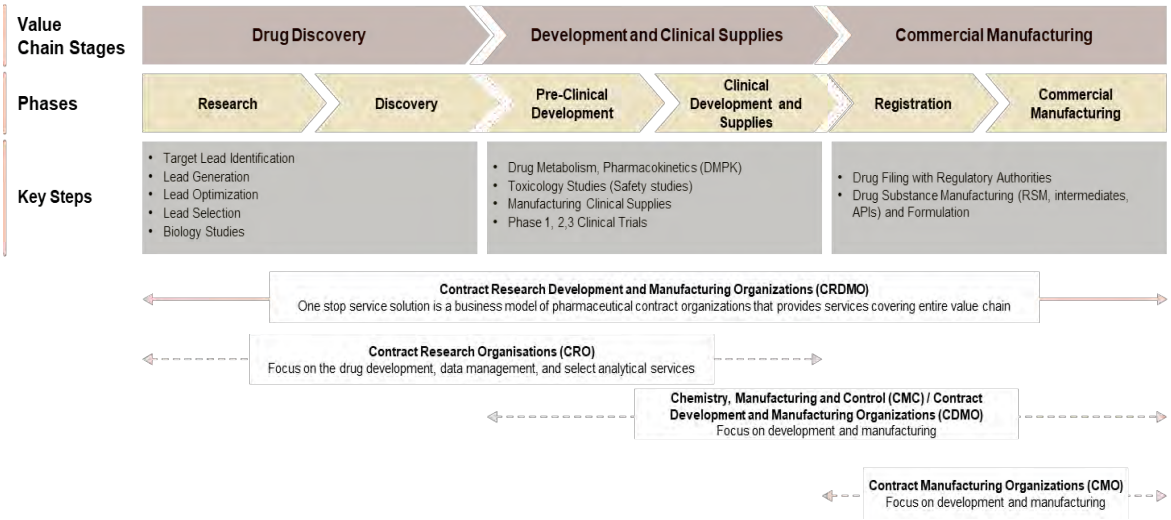
In addition to its extensive API portfolio, Biocon has forward-integrated into generic formulations across developed markets such as the US, Europe, and other MoW markets[51]. Employing custom business models, including B2B partnerships in emerging markets and a direct presence in developed markets, Biocon effectively serves a diverse global clientele. The company's globally scaled and diversified biosimilars, generics, and Contract Research, Development, and Manufacturing Organization (CRDMO) businesses enhance its competitive positioning.

GLOBAL PHARMA CONTRACT SERVICES MARKET OVERVIEW

Contract Services Market Evolution and The Emergence of CRDMOs

The convergence of CRO and CMO services into integrated CRDMO models reflects the industry's shift toward streamlined, end-to-end drug development solutions. This evolution is driven by the need for faster time-to-market, reduced handoff inefficiencies, and growing demand for partners with capabilities spanning discovery, development, and commercial-scale manufacturing.

- [49] Pharmacompass
- [50] Evaluate Pharma; Top 100 based on pharmaceutical sales in 2024 at the generic level
- [51] MoW: Most of the World, includes major markets excluding the US and Europe



Even as pharmaceutical companies have experienced sustained growth driven by scientific advancements and a strong pipeline of innovative therapies, they have continued to face a range of challenges—regulatory complexities, escalating R&D costs, protracted development timelines, and increasing pressure to accelerate market entry. In response, many companies had traditionally relied on external collaborations, particularly with Contract Research Organizations (CROs) and Contract Development and Manufacturing Organizations (CDMOs), to manage specific stages of the drug development process. Historically, outsourcing was primarily focused on cost-efficiency, with large-scale partnerships centered around late-stage clinical trials and commercial manufacturing of established drugs at lower operational costs.

However, over time, outsourcing evolved beyond its original transactional scope. Pharmaceutical companies began to pursue more strategic engagements with contract partners—not just to reduce costs, but to access specialized R&D capabilities, enter new markets, share the risk of drug development (including regulatory hurdles and clinical failures), shorten timelines, and ensure consistent quality across the value chain. This shift laid the foundation for deeper and more integrated partnerships with CROs and CDMOs.

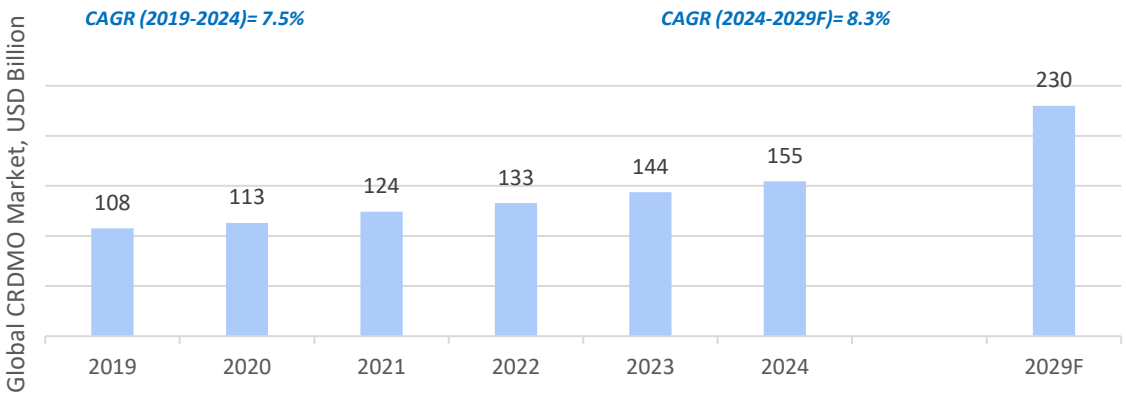
As drug development grew more complex and interdependent, the demand for integrated service models began to emerge. Sponsors sought a single partner that could provide end-to-end support, from early research through clinical development and commercial manufacturing. This led to the rise of CRDMOs, entities that consolidate the capabilities of CROs and CDMOs under one roof. CRDMOs responded to market needs by offering streamlined workflows, improved project coordination, reduced inefficiencies, and a unified accountability structure.

Today, the global CRDMO industry encompasses a mix of fragmented players and integrated providers, including pure-play CROs, CMOs, standalone CDMOs, and fully integrated CRDMOs.

Global CRDMO Market

Rising demand for end-to-end drug development support, increasing complexity of novel therapies, and heightened outsourcing by biopharma innovators are fueling sustained growth of 9-10% in the global CRDMO market, with integrated service models and specialized capabilities emerging as key differentiators.

Exhibit 6.1: Global CRDMO Market, 2019-2029F



Source: Frost & Sullivan
Note: F - Forecast, Excludes clinical services

Exhibit 6.1B: Global CRDMO Market, 2019-2029F (INR Billion)

Years	2019	2020	2021	2022	2023	2024	2029F
Global CRDMO Market	9,283	9,751	10,695	11,447	12,393	13,317	19,818

Source: Evaluate Pharma, Frost & Sullivan

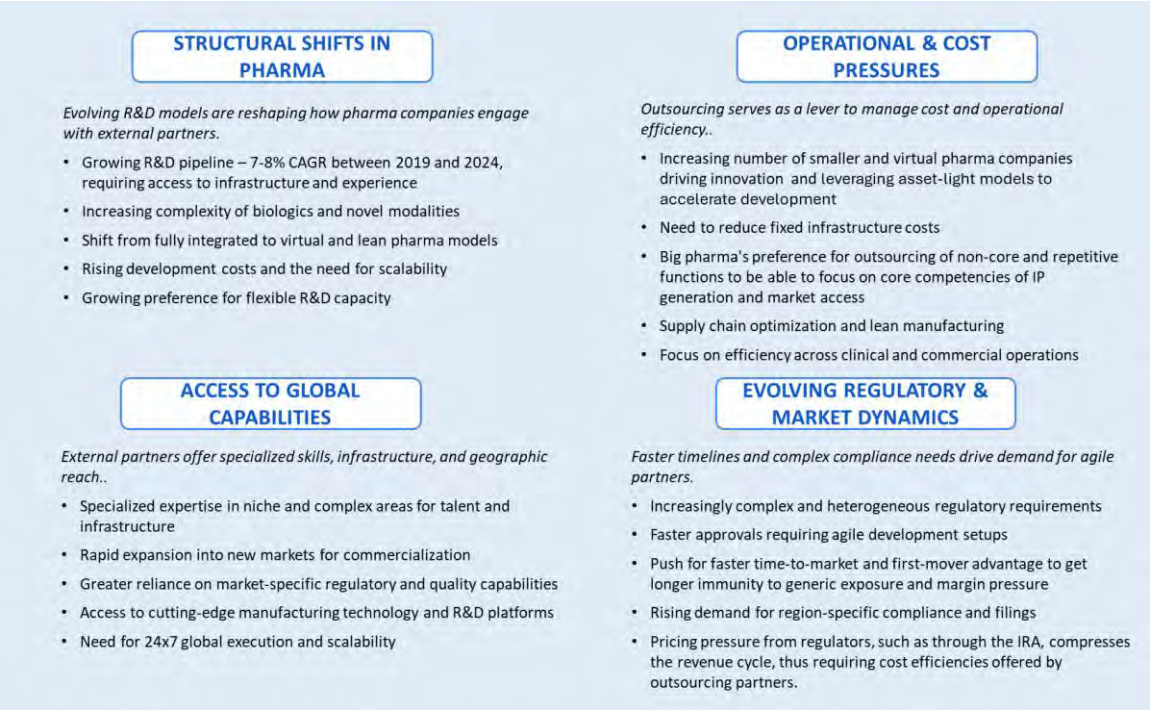
Note: F - Forecast

Building on the evolution of outsourcing models in the pharmaceutical industry, the global CRDMO market has expanded significantly and is expected to continue its robust trajectory. The global CRDMO market—excluding clinical services—was valued at USD 108 billion (INR 9,283 billion) in 2019 and reached USD 155 billion (INR 12,393 billion) by 2024, reflecting a CAGR of 7.5% during 2019–2024. Momentum is expected to accelerate in the latter half of the forecast period, with the market anticipated to grow at a CAGR of 8.3% between 2024 and 2029, reaching approximately USD 230 billion (approximately INR 20 trillion) by 2029.

Growth Drivers for the CRDMO Market

Pharma outsourcing is gaining strong momentum as companies strive to enhance agility, reduce fixed costs, and access specialized expertise. The growing complexity of drug development—spanning novel modalities, accelerated timelines, and multifaceted regulatory landscapes—is driving greater reliance on CRDMOs and other third-party partners. As pharma and biotech players shift toward leaner operating models focused on their core competencies, outsourcing is becoming central to delivering innovation at scale while navigating cost, speed, and compliance pressures.

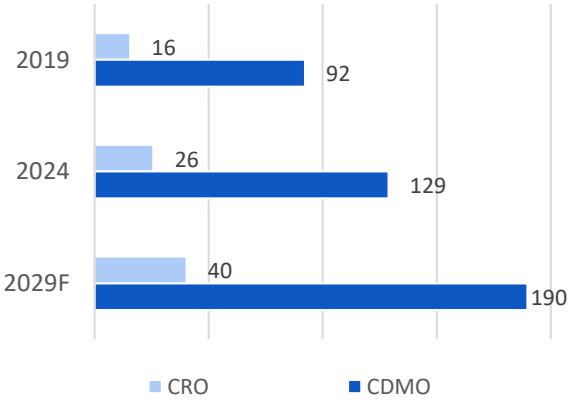
Some of the key growth drivers in the market are illustrated below.



Global CRDMO Market by Functions

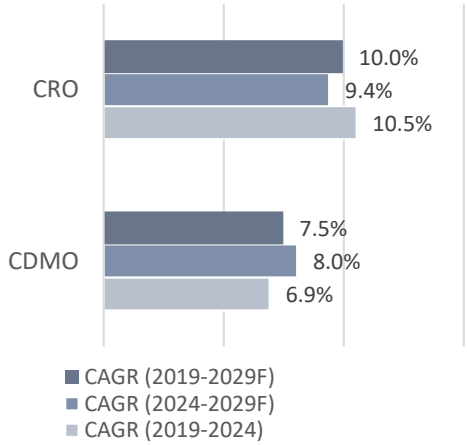
While CROs have historically grown faster than CDMOs, the gap is expected to narrow between 2024 and 2029. CDMOs are seeing stronger growth as demand rises for faster, more flexible, and cost-efficient manufacturing, driven by the rise of complex therapies, smaller batch sizes, and a more diverse drug pipeline. At the same time, increasing outsourcing by innovator companies is boosting value growth, while continued generic outsourcing is supporting volume growth.

Exhibit 6.2A: Global CRDMO Market by Functions, 2019, 2024, 2029F, USD Billion



Source: Frost & Sullivan
Note: F- Forecast, Excludes clinical services

Exhibit 6.2B: Growth Rate of Global CRDMO Market by Functions, 2019-2029F



Source: Frost & Sullivan
Note: F- Forecast, Excludes clinical services

Exhibit 6.2C: Global CRDMO Market by Functions, 2019, 2024, 2029F (INR Billion)

Years	2019	2024	2029F
CRO	1,344	2,217	3,472
CDMO	7,940	11,100	16,346

Source: Evaluate Pharma, Frost & Sullivan

Note: F – Forecast, Excludes clinical services

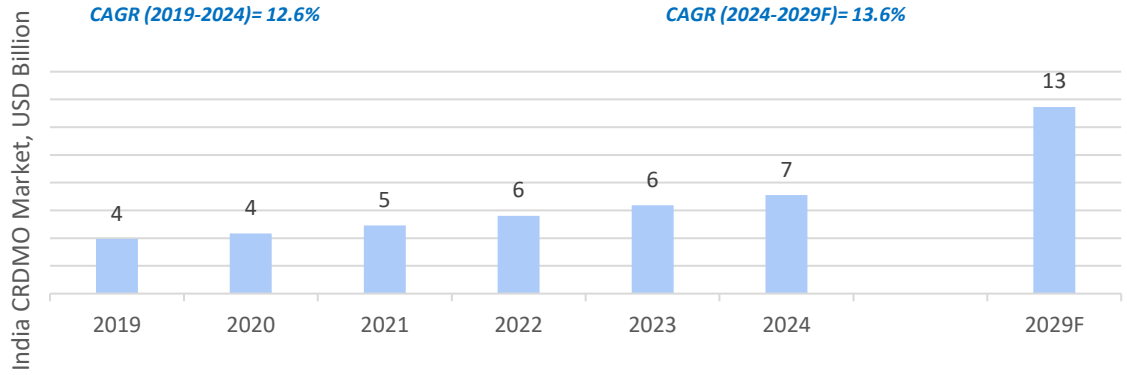
CDMOs currently account for the majority share, contributing USD 92 billion (INR 7,940 billion) in 2019 and projected to reach USD 190 billion (INR 16,346 billion) by 2029. This segment grew at a CAGR of 6.9% from 2019 to 2024 and is forecast to accelerate to 8.0% between 2024 and 2029. CDMO services typically include drug formulation development during preclinical and clinical stages, analytical and stability studies, process development and scale-up, and both clinical and commercial manufacturing. The growth in this segment is driven by increased demand for complex products and advanced therapeutic modalities, the need for flexible manufacturing capacity, and the rising preference for single-source providers capable of handling diverse-scale, end-to-end manufacturing.

Meanwhile, the CRO segment, although smaller in size, is growing at a faster pace. The market for CRO services was valued at USD 16 billion (INR 1,344 billion) in 2019 and is expected to reach USD 40 billion (INR 3,472 billion) by 2029. It grew at a CAGR of 10.5% between 2019 and 2024, with future growth projected to reach 9.4% through 2029. CROs provide a range of services, including discovery, preclinical, and clinical stages of pharmaceutical R&D, along with post-drug launch pharmacovigilance. Growth in this segment is fueled by the increasing number of novel drug candidates entering the pipeline and the need for specialized expertise in navigating complex regulatory pathways and therapeutic areas.

India CRDMO Market

The Indian CRDMO industry is one of the fastest-growing globally, expected to witness a CAGR of 13.6% between 2024 and 2029. With multiple structural tailwinds in place and supported by the strong credentials of Indian CRO and CDMO players, India is well-positioned to capture a greater share of the global pharma outsourcing market. India's competitive cost base, scientific talent pool, and growing track record in delivering integrated R&D to manufacturing services are driving increased outsourcing from global innovators, while generic players continue to rely on Indian partners for scale and speed.

Exhibit 6.3: India CRDMO Market, 2019-2029F



Source: Frost & Sullivan
Note: F - Forecast, Excludes clinical services

Exhibit 6.3B: India CRDMO Market, 2019-2029F (INR Billion)

Years	2019	2020	2021	2022	2023	2024	2029F
India CRDMO Market	339	373	422	483	548	612	1,160

Source: Evaluate Pharma, Frost & Sullivan

Note: F – Forecast, Excludes clinical services

The regional landscape of the CRDMO industry is mirroring trends across the entire healthcare industry, marked by a shift in the locus of growth from mature markets like North America to high-growth geographies in Asia-Pacific (APAC), particularly India. While North America remains the dominant market by revenue contribution, owing to its robust pharmaceutical demand, innovation ecosystem, and well-established regulatory and R&D infrastructure, future expansion is increasingly being driven by APAC, which is witnessing a faster pace of growth. The key APAC countries in the CRDMO market are China, India, South Korea, and Singapore. These countries are driven by strong technical expertise, skilled workforce, and competitive pricing. However, India is the primary driver of incremental global growth.

The Indian CRDMO market is estimated to grow from approximately USD 4 billion (INR 339 billion) in 2019 to USD 7 billion (INR 612 billion) by 2024, recording a CAGR of 12.6%. This growth is projected to accelerate further between 2024 and 2029, with the market expected to reach USD 13 billion (INR 1,160 billion) by 2029, implying a CAGR of 13.6%, positioning India as a significant growth engine.

India's emergence as a CRDMO hub is supported by several structural advantages: cost-effective manufacturing capabilities, a large base of technically skilled professionals, and improving regulatory compliance aligned with global standards. Increasingly, India is becoming the partner of choice for global pharma and biotech innovators seeking flexible, high-quality, and cost-efficient outsourcing solutions across the R&D and manufacturing value chain.

Geopolitical realignments are further accelerating this shift. The widespread adoption of the "China + 1" strategy by multinational pharmaceutical firms, aimed at de-risking supply chains, is channeling greater outsourcing volumes toward India, although the pace and extent remain uncertain. Additionally, proposed US legislation, such as the BIOSECURE Act, which aims to limit Chinese manufacturers' access to federally funded healthcare programs, is expected to further redirect CRDMO demand toward Indian players.

This momentum is expected to be self-reinforcing, as Indian CRDMOs scale up, improve technological capabilities, and expand global client relationships, their growing market share will attract more outsourcing mandates through 2029 and beyond.

COMPETITIVE LANDSCAPE OF THE GLOBAL CRDMO MARKET

The global CRDMO industry is highly fragmented, comprising over 1000 players across the CRO and CDMO spectrum, with only a limited cohort of scaled, full-service CRDMOs. This fragmentation is particularly pronounced in segments such as discovery and preclinical services, where entry barriers are relatively low, and niche providers can establish a foothold with minimal capital investment. However, scaling up to become an integrated CRDMO—offering end-to-end services across the research-to-commercialization continuum—requires significantly higher technological capabilities, regulatory accreditations, capital intensity, and long-term client relationships, creating formidable barriers to entry. As global demand for integrated CRDMO services intensifies, full-service providers are becoming increasingly indispensable to both large pharmaceutical companies and emerging biotech firms. Large pharma players with diversified global pipelines seek CRDMOs that can offer consistent quality, regulatory compliance, and seamless project execution across geographies and development stages. Concurrently, resource-constrained biotechs depend on integrated partners for their scientific depth, regulatory guidance, and ability to compress timelines. In this context, full-service CRDMOs are poised to capture a growing share of the outsourcing market, especially as the need for speed, scalability, and scientific rigor becomes paramount.

India's CRDMO industry, while historically nascent compared to Western counterparts, is now positioned at a critical inflection point. The industry comprises only a handful of scaled players, but geopolitical realignments—such as the China + 1 strategy and emerging legislative proposals in the US- are driving global sponsors to diversify supply chains away from China and toward more stable, compliant, and cost-effective geographies like India. This has significantly elevated the importance of Indian CRDMOs, particularly those with scale and global regulatory approvals, as they are better positioned to absorb and fulfill the incremental demand.

In this evolving landscape, scale is not just a commercial advantage—it is a prerequisite. Indian CRDMOs should demonstrate not only capacity and infrastructure readiness but also credibility and compliance to win global mandates. This includes regulatory approvals from major agencies of the US, Europe, and Japan, to name a few. Furthermore, talent depth is a critical differentiator. Serving global innovators, especially in biologics and complex modalities, demands robust scientific leadership, cross-functional expertise, and operational sophistication across all stages of development.

Syngene, a Bengaluru-based CRDMO and a majority-owned and listed subsidiary of Biocon Limited, exemplifies this model of integrated, scalable, and globally compliant service. The company operates with an installed bioreactor capacity of over 50KL (one of the most-scaled in India as of March 2025, based on disclosed information) and supports around 400 clients. Notably, in Fiscal 2025, the company served 14 of the top 20 pharmaceutical companies[52]. Its facilities are approved by the US FDA, European Medicines Agency (EMA), and Pharmaceuticals and Medical Devices Agency (PMDA), and certified by Good Laboratory Practice (GLP) and Association for Assessment and Accreditation of Laboratory Animal Care International (AAALAC), reinforcing its global credibility. With a scientific team of over 5,600 professionals (as of March 2025), Syngene possesses the technical depth and requisite infrastructure required to serve both early-stage innovators and mature pharmaceutical companies. This combination of scale, scientific talent, and regulatory preparedness positions it—and players like it—as strategic beneficiaries of the shifting dynamics in global outsourcing.

- [52] Top 20 based on revenue as per Evaluate Pharma Data

DISTINCT ADVANTAGES FAVORING INDIAN PHARMA MANUFACTURERS

Role of Indian Companies in Global API and FDF[53] Supply

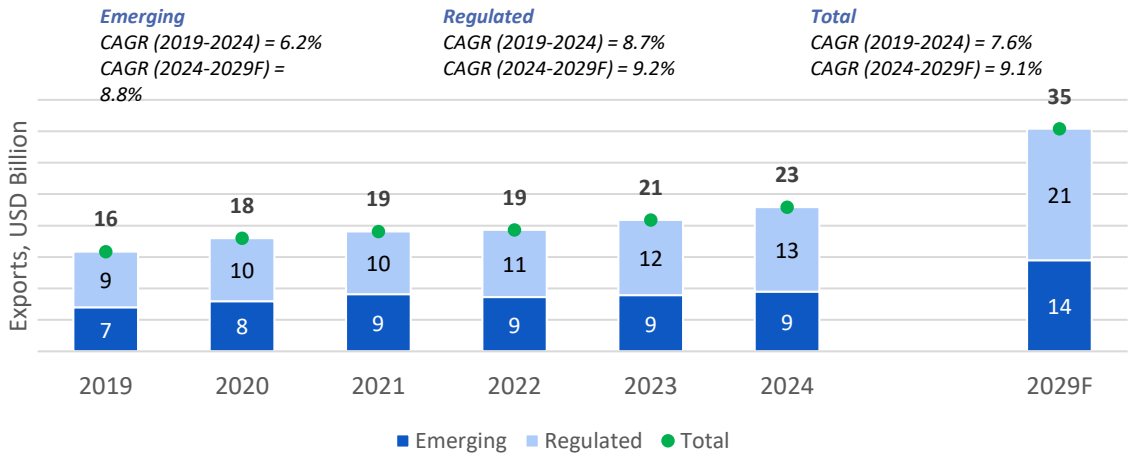
While the growth in the domestic market is undeterred, India has gained new strides in the export market, particularly since emerging as a reliable supplier during the COVID-19 pandemic.

India has been aptly crowned the Pharmacy of the World, particularly for its manufacturing prowess and contributions to the global pharma sector. India is the largest provider of generic medicines worldwide, holding a 20% share in global supply by volume, encompassing a diverse range of 60,000 generic brands across 60 therapeutic categories. The industry's global reach is underscored by the fact that India exports pharmaceuticals to over 200 countries, supplying over 50% of Africa's generic medicine needs, almost 40% of the generic demand in the US, and about 25% of all medicines in the UK.[54].

With a robust infrastructure, India boasts the highest number of US-FDA-compliant pharmaceutical plants outside the US. It houses over 3,000 pharmaceutical companies and has an extensive network of over 10,500 manufacturing facilities. The sector is further supported by a highly skilled resource pool, including 500 API manufacturers contributing approximately 5.2% to the global API Industry by value.[55]. The total pharmaceutical exports (API + FDF) for 2024 reached USD 28 billion (approximately INR 2 trillion), highlighting the sector's global competitiveness.

While FDF exports have grown by 7.6% over the past five years, driven by strong demand in regulated markets, APIs have registered a slower growth rate of 3.4%, despite increased API production. This more modest growth reflects reduced import dependence among domestic formulation companies, which are increasingly sourcing APIs from local manufacturers.

Exhibit 8.1A: India's Formulation Exports by Value, 2019-2029F



Source: Ministry of Commerce and Industry, Trade Map, Frost & Sullivan
Note: Regulated markets as defined by WHO as 'Stringent Regulatory Authority' 2022 and 'WHO Listed Authorities' 2024 includes 38 countries as of 2024. All other countries are classified as emerging markets and include semi-regulated and unregualted markets, F - Forecast

Exhibit 8.1B: India's Formulations Exports by Value, 2019-2029F (INR Billion)

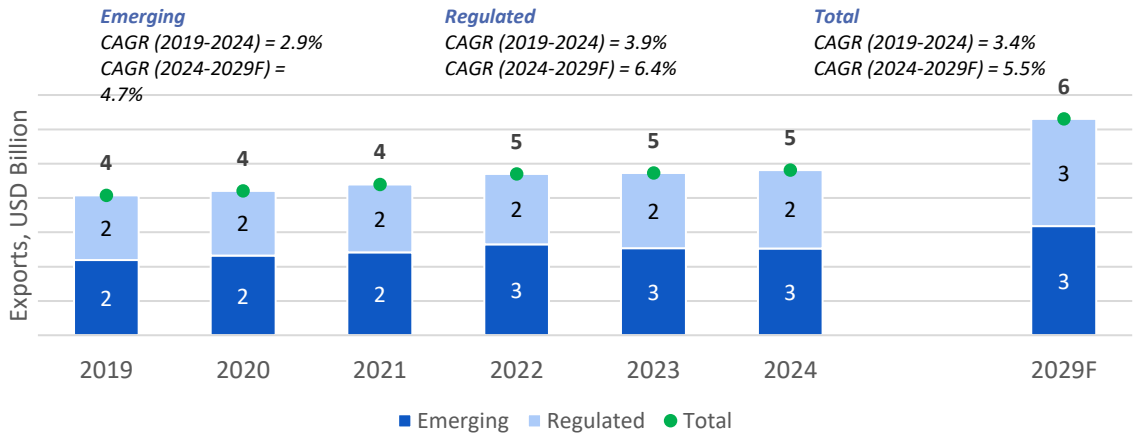
Years	2019	2020	2021	2022	2023	2024	2029F
Emerging	605	689	785	742	769	818	1,248
Regulated	763	864	859	924	1,032	1,158	1,802
Total	1,368	1,553	1,644	1,665	1,801	1,976	3,050

Source: Ministry of Commerce and Industry, Trade Map, Frost & Sullivan

- [53] FDF: Finished Drug Formulations
- [54] Invest India: Formulating success: The Indian pharmaceutical industry
- [55] Invest India Report

Globally, India is the 12th largest exporter of pharmaceutical formulations by value in 2024. Formulation exports from India grew from USD 16 billion (INR 1,368 billion) in 2019 to USD 23 billion (INR 1,976 billion) in 2024 and are projected to reach USD 35 billion (INR 3,050 billion) by 2029, reflecting a CAGR of 7.6% during 2019–2024 and a stronger 9.1% CAGR over 2024–2029. Regulated markets account for more than 50% of formulation exports by value, partly due to higher price realization per unit. In 2019, exports to regulated markets stood at USD 9 billion (INR 763 billion) and increased at a CAGR of 8.7% to USD 13 billion (INR 1,158 billion) in 2024. These are forecast to rise further to USD 21 billion (INR 1,802 billion) by 2029, growing at a CAGR of 9.2%. Formulation exports to emerging markets (including semi-regulated and unregulated markets) rose from USD 7 billion (INR 605 billion) in 2019 to USD 9 billion (INR 818 billion) in 2024 (CAGR of 6.2%) and are projected to reach USD 14 billion (INR 1,248 billion) by 2029, growing at a CAGR of 8.8%.

Exhibit 8.1C: India's API Exports by Value, 2019-2029F



Source: Ministry of Commerce and Industry, Trade Map, Frost & Sullivan
Note: Regulated markets as defined by WHO as 'Stringent Regulatory Authority' 2022 and 'WHO Listed Authorities' 2024 includes 38 countries as of 2024. All other countries are classified as emerging markets and include semi-regulated and unregualted markets, F - Forecast

Exhibit 8.1D: India's API Exports by Value, 2019-2029F (INR Billion)

Years	2019	2020	2021	2022	2023	2024	2029F
Emerging	189	200	208	229	219	218	274
Regulated	162	163	171	176	188	197	269
Total	351	363	379	405	407	414	543

Source: Ministry of Commerce and Industry, Trade Map, Frost & Sullivan

While India imports some bulk drugs, it is also one of the largest API exporters globally. High process efficiencies, longstanding regulatory experience, scale, and cost advantages have made India a leading supplier of APIs. API exports stood at USD 4 billion (INR 351 billion) in 2019 and increased modestly to USD 5 billion (INR 414 billion) in 2024, registering a slower CAGR of 3.4% during this period despite increased API production. This muted export growth is partly attributable to growing domestic utilization, as Indian formulation companies have significantly reduced their dependence on imported APIs and are sourcing a larger share from local manufacturers. API exports are expected to rise to USD 6 billion (INR 543 billion) by 2029, implying a CAGR of 5.5% between 2024 and 2029. Exports to regulated markets grew from USD 1.9 billion (INR 162 billion) in 2019 to USD 2.3 billion (INR 197 billion) in 2024 (CAGR of 3.9%) and are projected to reach USD 3 billion (INR 269 billion) by 2029 (CAGR of 6.4%). Similarly, exports to emerging markets grew from USD 2.2 billion (INR 189 billion) to USD 2.5 billion (INR 218 billion) (CAGR of 2.9%) and are expected to reach USD 3 billion (INR 274 billion) by 2029 (CAGR of 4.7%).

Competitive Advantages of Indian Companies

Cost competitiveness, robust infrastructure, and progressive intellectual property reforms position India as a global hub for both API and FDF manufacturing.

India is a leading global pharmaceutical manufacturing powerhouse, with competitive advantages not only in API production but also in FDF capabilities. The country's cost-efficient and quality-compliant production ecosystem, underpinned by a strong legacy of serving highly regulated markets, places it in a unique position to address evolving global pharmaceutical supply needs. As global pharma companies grapple with escalating pricing pressures and increasing therapeutic complexity, India offers a compelling value proposition anchored in technical prowess, manufacturing scalability, and regulatory readiness. Some of the factors positioning Indian companies in a unique place of advantage include:

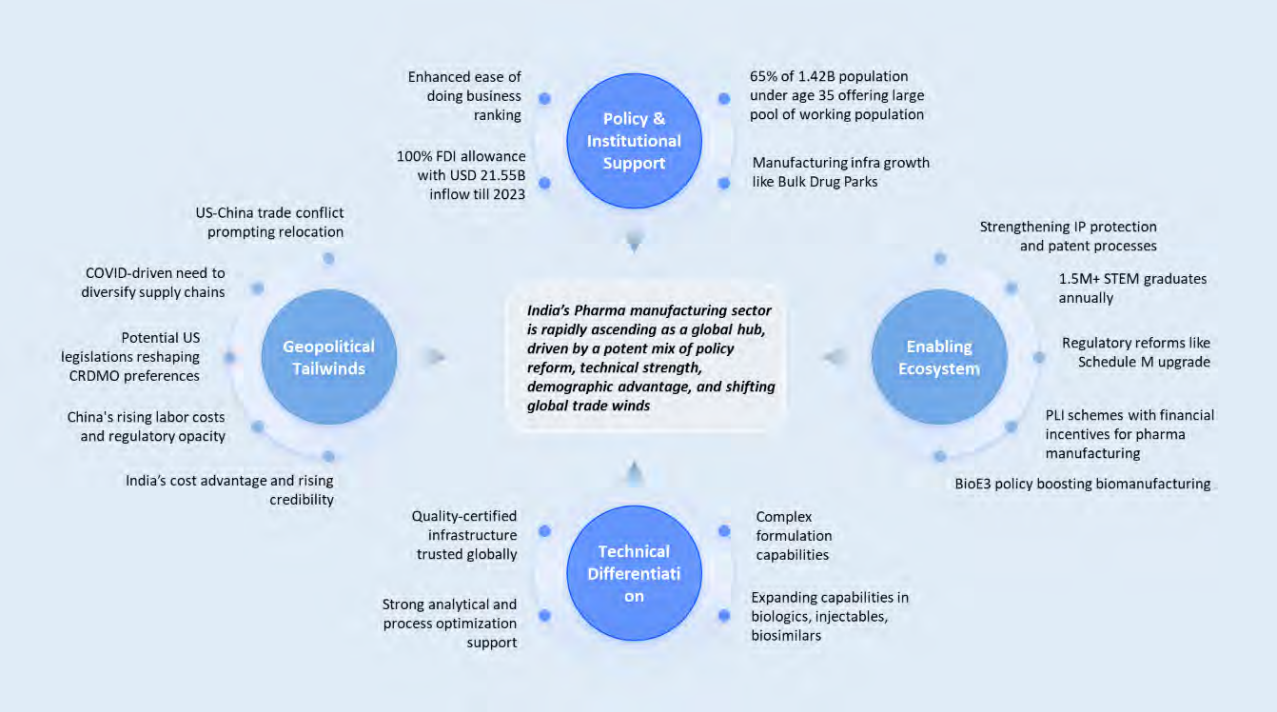
- **Proactive government initiatives catalyze scale and competitiveness:** Under the aegis of the 'Atmanirbhar Bharat' initiative, India has unveiled a series of structural enablers to enhance manufacturing self-reliance and global competitiveness. Strategic reforms include increasing the foreign direct investment (FDI) cap, instituting a modernized intellectual property regime, and implementing targeted production-linked incentives (PLI) (offering incentives ranging from INR 20 crore to INR 400 crore). Additionally, investments in bulk drug parks, shared R&D infrastructure, and fermentation technologies—spearheaded by entities such as Council of Scientific & Industrial Research- National Chemical Laboratory (CSIR-NCL)—are poised to expand the domestic manufacturing base and reduce reliance on imported raw materials, further bolstering India's position as a reliable global supplier. India already boasts over 3,000 pharmaceutical companies operating across 10,500 manufacturing facilities, ensuring high-quality and large-volume production[56].
- **Proven regulatory track record in APIs and FDFs ensures global market readiness:** India's deep-rooted credibility in highly regulated markets illuminates its end-to-end manufacturing competence. In Q1 2025, Indian companies accounted for 48% of all USDMF[57] submissions. Additionally, in 2024, Indian companies operated 217 US FDA-approved API manufacturing facilities, significantly outpacing counterparts in the US and China. Additionally, India had 156 facilities approved for either formulations or formulations plus APIs, demonstrating its manufacturing capabilities.[58]. This regulatory proficiency empowers India to seamlessly meet the global demand for APIs and FDFs, offering a reliable, high-quality, and scalable supply base across therapeutic categories.
- **Superior cost efficiency enables global pharma to navigate margin pressures:** Amid increasing pricing constraints from health systems and payers, pharmaceutical manufacturers are under pressure to secure high-quality inputs at competitive costs. India offers unmatched cost advantages across infrastructure, operations, and workforce. The capital investment required to establish an FDA-compliant facility in India is approximately 50% lower than in developed countries, while operating costs are 40–70% lower[59]. As wage inflation rises in China, India has closed the cost gap, making it increasingly attractive for global players to anchor both API and FDF manufacturing operations in the country.
- **A robust R&D ecosystem fuels continuous improvement in API and FDF manufacturing:** API and FDF manufacturing demand significant scientific and technological rigor, from complex multi-step synthesis and purification to biotechnological operations involving fermenters and bioreactors. India's expansive R&D backbone, bolstered by over 3,500 engineering institutions and a pool of 1.5 million engineering graduates annually[60], enables continual process innovation, cost optimization, and sustainability in manufacturing. In tandem, the country's burgeoning startup ecosystem and growing international research collaborations amplify its capacity for novel process development and large-scale implementation, essential for ensuring consistency in quality and environmental stewardship.
- **Growing biologics capabilities strengthen India's position in advanced therapeutics manufacturing:** Indian firms have demonstrated scientific and regulatory maturity through numerous global biosimilar approvals, often being among the first to commercialize these products in regulated and emerging markets alike. The country is now witnessing growing activity in the development of innovative biologics—including CAR-T therapies, novel vaccines, and next-generation therapeutic platforms—driven by a supportive policy

- [56] IBEF: Indian Pharmaceutical Industry
- [57] Pharmacompass: USDMF Analysis
- [58] FDA: GDUFA
- [59] Industry KOL
- [60] All India Council for Technical Education

environment, expanding talent pool, growing CRDMO presence, and rising investment in biotech infrastructure. India's share in the global biotech market is projected to rise from ~3% in 2017 to ~19% by 2025, supported by a thriving innovation ecosystem with over 9,000 biotech startups as of 2024. Ranked among the top 12 biotech destinations globally, Indian companies are emerging as key players in the biologics value chain[61].

- **A thriving chemicals industry forms the bedrock for API and intermediate production:** India hosts one of the world's most expansive specialty chemicals industries, producing over 80,000 products, and ranks as the sixth-largest chemical producer globally and the third largest in Asia by output[62]. This sector provides a vital foundation for the synthesis of intermediates and key starting materials (KSMs), including high-purity and advanced intermediates. As pharmaceutical innovation accelerates towards more structurally intricate therapies, India's capabilities in intermediate chemistry will be pivotal in supporting sophisticated API production that enhances drug efficacy, bioavailability, and performance.

Indian CRDMOs benefit from a convergence of global outsourcing trends and India-specific policy and market shifts. Global pharmaceutical companies are increasingly outsourcing to India to leverage its skilled scientific talent, accelerate R&D timelines, enhance supply chain resilience, and access advanced manufacturing capabilities.



India-based CRDMOs have traditionally been recognized for their cost advantage. However, in recent years, they have made significant investments in advanced technologies and built a broad suite of technical capabilities across various services. Today, Indian CRDMOs are increasingly being recognized on par with leading global firms, as they demonstrate strong capabilities in handling complex small molecules and biologics for the global pharmaceutical industry. Some of the key factors contributing to the growth of Indian CRDMOs include:

- **Regulatory Reforms Driving GMP Compliance and Schedule M Updates-** The revised Schedule M guidelines and stricter Good Manufacturing Practices (GMP) compliance requirements are reshaping India's pharmaceutical sector. Companies struggling to meet these heightened standards are increasingly turning to CRDMOs, leading to higher outsourcing volumes. Indian CRDMOs have heavily invested in upgrading quality control frameworks, obtaining certifications from global regulatory bodies such as the FDA, EMA, WHO-GMP, and International Organization for Standardization (ISO), as well as semi-regulated markets like the Saudi Food and Drug Authority (SFDA) and the South African Health Products Regulatory Authority (SAHPRA). CRDMOs with robust regulatory expertise and advanced infrastructure are therefore emerging as preferred partners for both domestic and global pharmaceutical firms seeking to ensure compliance with evolving quality benchmarks.

- [61] IBEF: Biotechnology in India, Biotech Companies in India
- [62] Indian Trade Portal: Chemical Industry and Export in India; IBEF: Chemical Industry India

- **PLI Schemes and Self-Sufficiency Initiatives-** The PLI schemes are driving India's self-sufficiency in API and formulation manufacturing. With incentives ranging from INR 20 crore to INR 400 crore and the establishment of bulk drug parks, Indian CRDMOs are investing in vertical integration, enhancing cost efficiencies, and securing raw material supply chains. This strategic push, while reducing dependence on Chinese imports, is also strengthening Indian CRDMOs' position as a competitive hub for pharmaceutical supplies.

- **Thrust to Indian Innovation Ecosystem-** The Indian government is actively strengthening the pharma and biotech innovation ecosystem through targeted initiatives that promote R&D, commercialization, and industry-academia collaboration. The Department of Biotechnology has supported 12 biotechnology parks across various states to facilitate the translation of new technologies, nurture emerging ventures, and build linkages with academia and other stakeholders. Additionally, the Scheme for Promotion of Research and Innovation in Pharma MedTech (PRIP), with a financial outlay of USD 600 million (INR 52 billion), including USD 493 million (INR 42 billion) dedicated to R&D, is catalyzing innovation in drug development and medtech. These efforts, alongside programs like the Biotechnology Industry Research Assistance Council (BIRAC) and the National Biopharma Mission, are accelerating India's shift from a generics-focused market to a globally competitive innovation-led biopharma hub[63].

- **BioE3 Policy and Biologics-Led Growth Momentum**- India's BioE3 policy is catalyzing CRDMO growth by promoting innovation-driven biomanufacturing through regulatory support, R&D incentives, and infrastructure development. The policy is expanding opportunities for CRDMOs in biosimilars, novel biologics, and sterile injectables by encouraging investment in GMP-compliant facilities, skilled talent, and advanced technologies. As India adds biologics innovation to its generics legacy, CRDMOs are well-positioned to capture both domestic and export demand.

- **FDI Policy and Pharma-Sector Growth-** India's liberalized FDI policy has been instrumental in attracting investments in pharmaceutical manufacturing. The government allows 100% FDI in the pharma sector, and from April 2000 to September 2024, FDI inflows reached USD 23 billion (approximately INR 2 trillion), ranking the sector 8th in total FDI inflows[64]. This influx of capital has enabled Indian CRDMOs to expand manufacturing capacities, invest in cutting-edge technologies, and enhance regulatory compliance, key factors driving the sector's rapid expansion.

- **Ease of Doing Business offering a More Predictable Industrial Environment-** India's business environment has become more consistent and predictable, allowing pharmaceutical firms to undertake long-term planning with lower risk exposure. In the Economist Intelligence Unit (EIU) Business Environment Rankings (BER) for 2023-27, India ranks 10th among 17 Asian economies, an improvement from 14th in the 2018-22 period[65]. These improvements in regulatory clarity and operational efficiency make India an attractive destination for global pharmaceutical outsourcing.

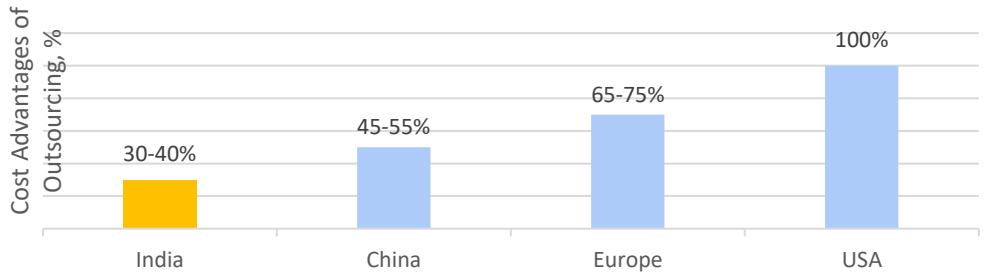
- **Evolving Intellectual Property (IP) Policy Encouraging Innovation-Driven Growth-** India's IP policies and patent reforms are fostering a more innovation-friendly environment, especially for novel patented drugs. With streamlined patent processes and increased government support for R&D, Indian CRDMOs are enjoying greater outsourcing of non-genericized products, a significant growth driver for high-value services away from traditional high-volume generics manufacturing services.

- **Expert Talent Pool and a Growing Workforce Advantage-** India's demographic advantage plays a crucial role in the CRDMO sector's expansion. India, with its 1.42 billion residents and 65% of the population under the age of 35, benefits from a demographic dividend that strengthens its labor force. The World Bank notes India's working-age population increased from 65% in 2012 to 68% in 2023[66]. Moreover, India's regional labor market ranking improved from 16th in 2018-22 to 13th in 2023-27[67], surpassing China, Sri Lanka, and Bangladesh. This confluence of a young, skilled workforce and cost-effective labor makes India a highly attractive destination for pharmaceutical outsourcing.

- [63] Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers
- [64] IBEF: Indian Pharmaceutical Industry
- [65] Economic Intelligence Unit
- [66] World Bank
- [67] Economic Intelligence Unit

- **Advancements in Complex Formulation Development:** The demand for complex formulations, requiring enhanced solubility and bioavailability, is growing. About 70% of new drugs have low aqueous solubility[68], making cost-effective solubilization technologies critical. Indian CRDMOs have invested in cutting-edge solutions such as particle manipulation, amorphous dispersions, salt/co-crystal engineering, and lipid-based delivery systems to meet the evolving nature of demand.

Exhibit 8.2: Cost Advantages of Outsorucing to CRDMO by Region, 2024



Source: Industry KOL, Frost & Sullivan
Note: Average savings are indexed to manufacturing in-house, regional comparison is indexed to USA

- **Cost Advantage: Solution to combatting global pricing pressure-** India continues to offer significant cost advantages in manufacturing over its Asian as well as Western peers. Markedly, drug development and manufacturing costs in India are approximately 30-40% lower than in the US or Europe, reinforcing its cost competitiveness and benefits to global pharma companies reeling from increasing drug price erosion and shrinking profit margins.
- **Shifting Growth from China to India:** China's dominance in the CRDMO market is weakening, leading global pharmaceutical companies to diversify their research and manufacturing bases. India is emerging as a preferred alternative, driven by several key factors:
    - Supply Chain Diversification – The COVID-19 pandemic exposed the risks of over-reliance on China, prompting pharmaceutical companies to diversify their supply chains, with India being a key beneficiary.
    - Regulatory and Compliance Issues in China – China's crackdown on industrial pollution and regulatory scrutiny has impacted pharmaceutical manufacturing. India, with its strong regulatory track record, is gaining traction as a more stable manufacturing hub.
    - Cost Considerations – Between 2010 and 2020, China's labor costs increased by 120%, while India's grew only by 80%[69], making India a more cost-effective destination for contract manufacturing.
    - Impact of potential US legislation – The proposed BIOSECURE Act (pending Senate approval) seeks to limit US companies' use of Chinese biotech services. If passed, this would further reduce demand for Chinese CRDMOs, benefiting Indian firms.

- [68] NIH: Bioavailability Enhancement Techniques for Poorly Aqueous Soluble Drugs and Therapeutics
- [69] Trading Economics

ORGANISATIONAL STRUCTURE

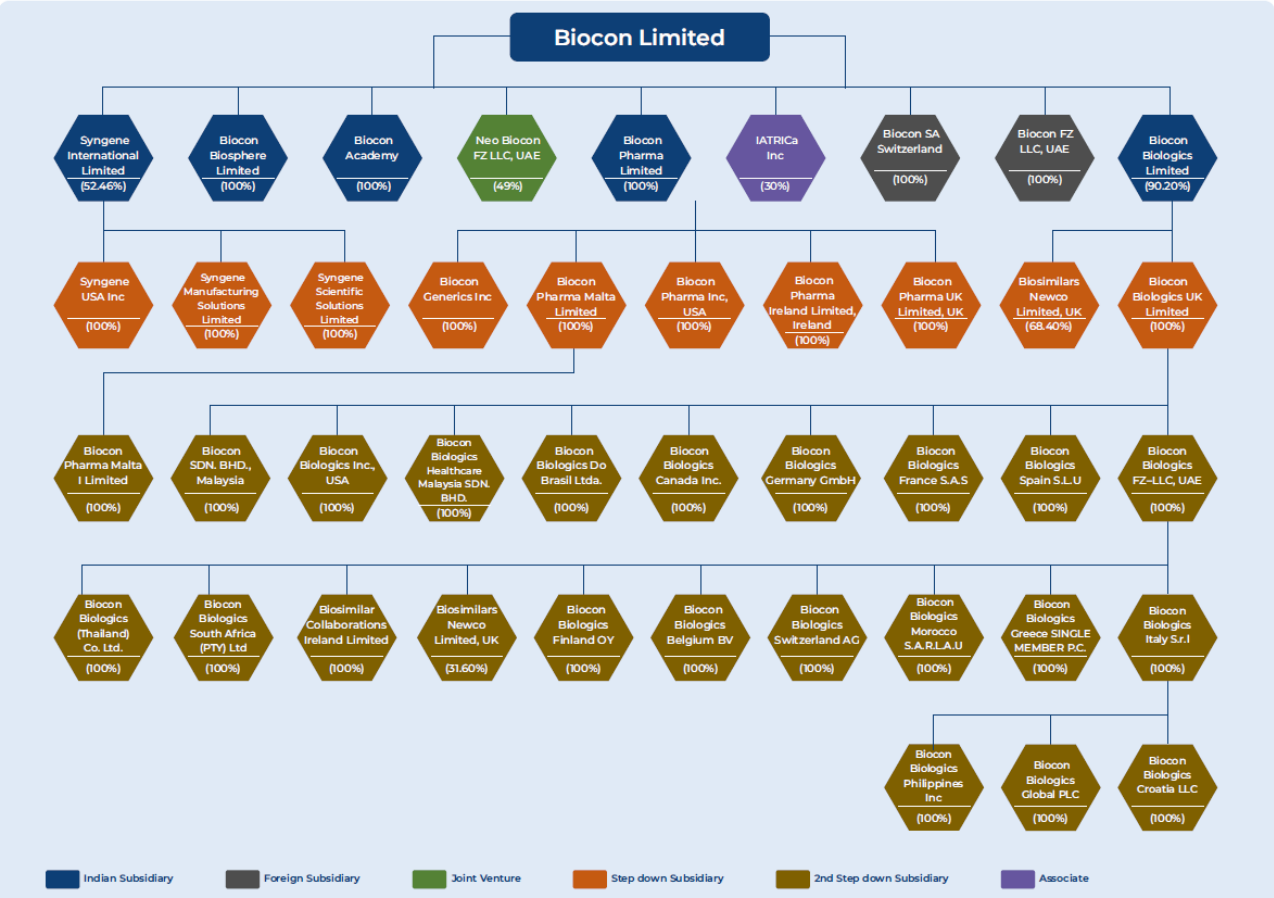
Corporate history

Our Company was originally incorporated as "Biocon India Private Limited" as a private limited company under the Companies Act, 1956 at Bangalore, pursuant to a certificate of incorporation dated November 29, 1978 issued by the Registrar of Companies, Karnataka at Bangalore ("**RoC**"). Subsequently, our Company was deemed to be a public limited company pursuant to section 43A(2) of the Companies Act, 1956 with effect from July 1, 1995. Subsequently, our Company was converted into a private limited company pursuant to section 43A(2A) of the Companies Act, 1956 with effect from December 21, 2000. Subsequently, our Company was converted into a public limited company and consequently, the name of the Company was changed to 'Biocon India Limited' and a fresh certificate of incorporation dated June 18, 2001 was issued by the RoC. Subsequently, the name of our Company was changed to 'Biocon Limited', and consequently, a fresh certificate of incorporation dated November 19, 2003 was issued by the RoC, recording the name change of our Company.

The CIN of our Company is L24234KA1978PLC003417. Our Registered Office is located at 20th KM, Hosur Road, Electronic City, Bangalore 560 100, Karnataka, India.

Our Equity Shares have been listed since April 7, 2004 on BSE and NSE.

Organizational structure



Our Subsidiaries

As on the date of this Preliminary Placement Document, our Company has 39 (thirty-nine) subsidiaries.

(i) Syngene International Limited
(ii) Biocon Biologics Limited
(iii) Biocon Pharma Limited
(iv) Biocon Academy
(v) Biocon SA

(vi) Biocon SDN BHD
(vii) Biocon FZ LLC
(viii) Biocon Biologics UK Limited
(ix) Biocon Pharma Inc.
(x) Biocon Biologics Healthcare Malaysia SDN. BHD
(xi) Biocon Pharma Ireland Limited
(xii) Biocon Pharma UK Limited
(xiii) Biocon Biosphere Limited
(xiv) Biocon Biologics Inc.
(xv) Biocon Biologics Do Brasil LTDA
(xvi) Biocon Biologics FZ-LLC
(xvii) Biocon Pharma Malta Limited
(xviii) Biocon Pharma Malta I Limited
(xix) Syngene USA Inc.
(xx) Syngene Manufacturing Solutions Limited
(xxi) Syngene Scientific Solutions Limited
(xxii) Biosimilar Collaborations Ireland Limited
(xxiii) Biosimilars Newco Limited
(xxiv) Biocon Biologics Canada Inc.
(xxv) Biocon Biologics Germany GmbH
(xxvi) Biocon Biologics France S.A.S
(xxvii) Biocon Biologics Spain, S.L.U
(xxviii) Biocon Biologics Switzerland AG
(xxix) Biocon Biologics Belgium BV
(xxx) Biocon Biologics Finland OY
(xxxi) Biocon Generics Inc.
(xxxii) Biocon Biologics Morocco S.A.R.L.A.U
(xxxiii) Biocon Biologics Greece Single Member P.C
(xxxiv) Biocon Biologics South Africa (PTY) Ltd
(xxxv) Biocon Biologics (Thailand) Co. Ltd
(xxxvi) Biocon Biologics Philippines Inc
(xxxvii) Biocon Biologics Italy S.R.L
(xxxviii) Biocon Biologics Croatia LLC
(xxxix) Biocon Biologics Global PLC

As on date of this Preliminary Placement Document, following are considered as material Subsidiaries of our Company, in accordance with requirements of Regulation 16 (1) (c) of the SEBI Listing Regulations.

(i) Biocon Biologics Limited, India;
(ii) Syngene International Limited, India;
(iii) Biocon Biologics UK Limited, United Kingdom;
(iv) Biocon Biologics Inc., USA;
(v) Biosimilar Collaborations Ireland Limited, Ireland; and
(vi) Biosimilars Newco Limited, United Kingdom.

Holding Company

As on date of this Preliminary Placement Document, our Company does not have a holding company.

Associate

As on the date of this Preliminary Placement Document, our Company has one associate company namely, IATRICa Inc.

Joint Venture

As on the date of this Preliminary Placement Document, our Company has one joint venture, namely, Neo Biocon FZ LLC.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The composition of our Board is governed by the provisions of the Companies Act, 2013, as amended, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles. In terms of our Articles of Association, the Board shall have an optimum combination of executive and Independent Directors with at least one woman Independent Director, in accordance with applicable laws. As on the date of this Preliminary Placement Document, our Company has nine Directors on our Board, comprising of two Executive Directors, two Non-Executive Non-Independent Directors and five Independent Directors including two women Independent Directors.

The following table sets forth details regarding our Board as of the date of this Preliminary Placement Document:

Name, DIN, Term, Period of Directorship, Address, Occupation and Nationality	Age (in years)	Designation
Kiran Mazumdar-Shaw **DIN:** 00347229 **Term:** Five years with effect from April 1, 2025; Liable to retire by rotation **Period of directorship:** Since inception **Address:** 58, Glenmore, Huskur Road, Near Estate Club, Gulimangala, Bengaluru, Karnataka – 560 099 **Occupation:** Business **Nationality**: Indian	72	Chairperson and Executive Director
Siddharth Mittal **DIN:** 03230757 **Term:** Five years with effect from December 1, 2024; Not liable to retire by rotation **Period of directorship:** Director since December 1, 2019 **Address:** Villa 667, Phase 3, Adarsh Palm Retreat Villas, Bellandur, Devarabeesanahalli, Bellandur, Bengaluru, Karnataka – 560 103 **Occupation:** Professional **Nationality**: Indian	46	Managing Director and CEO
Ravi Rasendra Mazumdar **DIN:** 00109213 **Term:** Liable to retire by rotation **Period of directorship:** Director since August 8, 2000 **Address:** 501, 1420 Boul Mont – Royal, Montreal, Outremont QC, Quebec H2V 4P3, Canada **Occupation:** Professional **Nationality**: Canadian	70	Non-Executive Non-Independent Director
Eric Vivek Mazumdar	32	Non-Executive Non-Independent Director

Name, DIN, Term, Period of Directorship, Address, Occupation and Nationality	Age (in years)	Designation
DIN: 09381549 **Term:** Liable to retire by rotation **Period of directorship:** Director since November 1, 2021 **Address:** 3836, Clayton Ave, Los Angeles, CA 90027 **Occupation:** Professional **Nationality**: Canadian		
Bobby Kanubhai Parikh **DIN:** 00019437 **Term:** Appointed for five years with effect from July 23, 2021 till the conclusion of 48th AGM (*to be held in the calendar year 2026*); not liable to retire by rotation **Period of directorship:** Director since July 27, 2018 **Address:** 4, Seven on the Hill, Auxilium Convent Road, Bandra West, Mumbai, Maharashtra – 400 050 **Occupation:** Consulting **Nationality**: Indian	61	Independent Director
Naina Lal Kidwai **DIN:** 00017806 **Term:** Appointed with effect from April 28, 2022 till the conclusion of 47th AGM (*to be held in the calendar year 2025*); Not liable to retire by rotation **Period of directorship:** Director since April 28, 2022 **Address:** Mentok - RI, Kidwai Farm, JPF 95, Jonapur, South Delhi, New Delhi – 110 047 **Occupation:** Professional **Nationality**: Indian	68	Independent Director
Rekha Mehrotra Menon **DIN:** 02768316 **Term:** Appointed with effect from July 26, 2023 till the conclusion of the 48th AGM (*to be held in the calendar year 2026*); Not liable to retire by rotation **Period of directorship:** Director since July 26, 2023 **Address:** #133 1st Main S T Bed Layout, Koramangala, Bangalore, South, Bangalore, Karnataka – 560 034 **Occupation:** Professional **Nationality**: Indian	66	Independent Director

Name, DIN, Term, Period of Directorship, Address, Occupation and Nationality	Age (in years)	Designation
Nicholas Robert Haggar **DIN:** 08518863 **Term:** Appointed with effect from September 1, 2023 till the conclusion of the 48th AGM (*to be held in the calendar year 2026*); Not liable to retire by rotation. **Period of directorship:** Director since September 1, 2023 **Address:** Shorthills, Doggetts Wood Lane, Chalfont St Giles, Bucks, HP8 4TJ, United Kingdom **Occupation:** Professional **Nationality:** British	60	Independent Director
Atul Dhawan **DIN:** 07373372 **Term:** Appointed with effect from May 16, 2024 till the conclusion of 49th AGM (*to be held in the calendar year 2027*); Not liable to retire by rotation. **Period of directorship:** Director since May 16, 2024 **Address:** C – 3/10, DLF City, Phase 1, DLF QE, Gurgaon, Haryana – 122 002 **Occupation:** Professional **Nationality:** Indian	66	Independent Director

Relationship with other Directors

Except as stated below, none of our Directors are related to each other:

Director	Relative	Nature of Relationship
Kiran Mazumdar-Shaw	Ravi Rasendra Mazumdar	Brother
Ravi Rasendra Mazumdar	Eric Vivek Mazumdar	Son

Borrowing powers of our Board

Subject to the provisions of the Companies Act, our Articles of Association authorise our Board, at its discretion, to generally secure the payment of any sum or sums of money for the purposes of our Company. In accordance with Section 180(1)(c) of the Companies Act and as approved by our Shareholders at their meeting dated July 25, 2014, our Board has been authorised to borrow from time to time, any sum or sums of money not exceeding ₹ 20,000 million over and above the equity paid-up capital of the Company and its free reserves at any given point of time, including monies already borrowed by the Company on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the Company's assets and effects or properties whether movable or immovable, including stock-in-trade etc.

Interest of the Directors

All our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of our Board or a committee thereof, to the extent of other remuneration and reimbursement of expenses, if any, payable to them by our Company under our Articles of Association and respective appointment letters, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Except for Kiran Mazumdar-Shaw, Chairperson and Executive Director, who is also one of the Promoters of our Company, none of our Directors have any interest in the promotion of our Company.

All our Directors may also be interested to the extent of Equity Shares held by them or stock options granted to them, if any (together with dividends and other distributions in respect of such Equity Shares), held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives. Certain of our Directors may also be regarded as interested in the Equity Shares held by, or subscribed by and allotted to, the companies, firms, HUFs, and trusts, in which they are interested as directors, members, partners, Karta, trustees, etc. For details, see "*Capital Structure*" beginning on page 93.

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors were appointed.

Except as provided in "*Related Party Transactions*" on page 50, and except as disclosed in this Preliminary Placement Document, our Company has not entered into any contract, agreement or arrangement during the three Fiscal Years immediately preceding the date of this Preliminary Placement Document in which any of the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them.

Further, our Company has neither availed of any loans from, nor extended any loans to the Directors which are currently outstanding.

Shareholding of Directors

Except as disclosed below, none of our Directors hold Equity Shares in our Company, as on the date of this Preliminary Placement Document:

Name	Number of Equity Shares	Percent of the issued and paid-up Equity Share capital (in %)
Kiran Mazumdar-Shaw	484,581,970	40.36%
Siddharth Mittal	967,707	0.08%
Ravi Rasendra Mazumdar*	5,301,321	0.44%
Eric Vivek Mazumdar	3,176,367	0.26%
Total	494,027,365	41.14%

**The Equity Shares are held jointly with Catherine Patricia Rosenberg.*

Terms of appointment of Executive Directors

S. No.	Name	Particulars
1.	Kiran Mazumdar-Shaw	**Designation:** Executive Director designated as Executive Chairperson **Tenure as Executive Director**: For a period of 5 years commencing from April 01, 2025 to March 31, 2030. **Remuneration**: (i) Monthly salary of ₹ 45.47 lakhs including all allowances and perquisites as per the salary structure of the Company amounting to ₹ 5.45 crores on an annual basis; (ii) Performance Bonus (including long term bonus): As per Company's Bonus scheme(s), as applicable to all the employees of the Company, from time to time; (iii) Variable pay-out: Payable at such intervals, as recommended by Nomination & Remuneration Committee and approved by the Board; (iv) Contribution to provident fund, superannuation fund and gratuity fund in accordance with the applicable laws, as applicable to all the employees of the Company, from time to time; (v) The aggregate remuneration payable, as specified above, shall not exceed ₹ 5.57 crores, other than variation in reimbursement of expenses and perquisites. Annual increments shall be as determined by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company. **Expenses**: The Company to reimburse, on a monthly basis, all reasonable travelling, entertainment and other similar out of pocket expenses necessarily and reasonably incurred by Kiran Mazumdar-Shaw wholly in proper performance of her duties and responsibilities. **Perquisites:** Perquisites include (a) reimbursement of mobile and telephone charges based on actuals; (b) leave/holiday travel allowance and medical reimbursement/ allowance as per Company policy; (c) use of Company car with chauffeur; (d) club membership up to a maximum of 2 clubs; (e) global coverage under group medical insurance, group life insurance and personal accident

S. No.	Name	Particulars
		insurance as per Company schemes, as applicable to all the employees / senior management of the Company, from time to time, and (f) any other allowances and perquisites as per the policies applicable to the Senior Management of the Company.
2.	Siddharth Mittal	**Designation:** Managing Director and Chief Executive Officer **Tenure as Executive Director**: For a period of 5 years effective from December 01, 2024 to November 30, 2029. **Remuneration**: (i) Monthly salary of ₹ 59.02 lakhs including all allowances and perquisites as per the salary structure of the Company amounting to ₹ 7.08 crores on an annual basis; (ii) Performance Bonus (including long term bonus): As per Company's Bonus scheme(s), as applicable to all the employees of the Company, from time to time; (iii) Variable pay-out: Payable at such intervals, as recommended by Nomination & Remuneration Committee and approved by the Board; (iv) Contribution to provident fund, superannuation fund and gratuity fund in accordance with the applicable laws, as applicable to all the employees of the Company, from time to time; (v) The aggregate remuneration payable, as specified above, shall not exceed ₹ 10.70 crores, other than variation in reimbursement of expenses and perquisites. (vi) Perquisite value of stock options exercised, as per Income Tax Act. Increments shall be as determined by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company which is based on performance towards achieving goals and delivering on key initiatives measured through growth in revenue, profits and shareholder value creation, amongst other aspects. **Long term incentives**: Grant of stock options/RSUs as per the stock options plan of the Company and as may be decided by the Board, based on the recommendation of Nomination and Remuneration Committee and in accordance with the terms employee stock option schemes. In the event of misconduct or ethical/ compliance violations, all outstanding stock options, whether vested or not, shall stand terminated with immediate effect unless otherwise determined by the Nomination and Remuneration Committee, whose determination will be final and binding. **Expenses**: The Company to reimburse, on a monthly basis, all reasonable travelling, entertainment and other similar out of pocket expenses necessarily and reasonably incurred by Siddharth Mittal wholly in proper performance of his duties and responsibilities. **Perquisites:** Perquisites include (a) reimbursement of mobile and telephone charges based on actuals; (b) leave/holiday travel allowance and medical reimbursement/ allowance as per Company policy; (c) use of Company car with chauffeur; (d) club membership up to a maximum of 2 clubs; (e) global coverage under group medical insurance, group life insurance and personal accident insurance as per Company schemes, as applicable to all the employees / senior management of the Company, from time to time, and (f) any other allowances and perquisites as per the policies applicable to the Senior Management of the Company.

The total managerial remuneration payable to the executive director(s) of the Company taken together in any financial year shall not exceed the limit of 10% of net profit and overall managerial remuneration payable to all Directors shall not exceed the limit of 11% of net profit of the Company as prescribed under Section 197 of the Act read with rules made thereunder or other applicable provisions or any statutory modifications thereof, unless specifically approved by the members of the Company under Section 197 read with Schedule V to the Act.

Compensation of the Non-Executive Directors

Pursuant to a resolution passed by our shareholders dated July 23, 2021, our Non-Executive Directors are entitled to remuneration by way of commission of up to 3% of net profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013 and the remuneration is in addition to sitting fees and reimbursement of expenses for attending the meetings of the Board of Directors or committees thereof. The remuneration is paid in such amount, proportion and manner as may be decided by the Board of Directors of the Company from time to time.

Each Non-Executive Director is entitled to receive the following remuneration:

(Amount in USD)

Particulars	Remuneration
Board remuneration per quarterly meeting	12,500

(Amount in USD)

Particulars	Remuneration per quarterly meeting*	
	For Chairperson	For Member
Audit Committee remuneration per meeting	6,000	4,000
Nomination and Remuneration Committee remuneration per meeting	5,000	3,000
Risk Management Committee remuneration per meeting	3,000	2,000
Corporation Social Responsibility and ESG Committee remuneration per meeting	3,000	2,000
Stakeholder Relationship Committee remuneration per meeting	2,000	1,500

Note:
1. Board fees includes sitting fees and commission;
2. Sitting fee is paid only if Board members attend a meeting;
3. Sitting fee is paid on the basis of USD 1,000 per Board / committee meeting and it is adjusted against the overall amount of the Board fees;
4. In case of additional meeting other than quarterly meetings, only the sitting fee of USD 1,000 is paid for each such additional meeting; and
5. No travel allowance is paid and travel expenses will be reimbursed on actuals.

Further, the lead independent director is entitled to receive additional remuneration of USD 5,000 per quarter.

The following table set forth the compensation (including sitting fees, as applicable) paid by our Company to the Non-Executive Directors of our Company during the relevant period for Fiscals 2025, 2024 and 2023:

(in ₹ million)

		Fiscal 2023		Fiscal 2024		Fiscal 2025	
S. No.	Name of Director	Commission	Sitting Fees	Commission	Sitting Fees	Commission	Sitting Fees
1.	Ravi Mazumdar	4.59	1.28	4.82	1.41	4.93	1.87
2.	Eric Vivek Mazumdar	4.31	0.96	4.49	1.08	4.59	1.36
3.	Bobby Kanubhai Parikh	6.07	1.36	6.40	1.41	6.46	1.87
4.	Naina Lal Kidwai*	5.28	1.20	5.16	1.08	5.27	1.53
5.	Rekha Mehrotra Menon**	-	-	4.62	1.08	4.76	1.87
6.	Nicholas Robert Haggar**	-	-	4.12	1.08	5.61	1.95
7.	Atul Dhawan^	-	-	-	-	5.27	1.36

**Naina Lal Kidwai was appointed with effect from April 28, 2022.*
***Rekha Mehrotra Menon and Nicholas Robert Haggar were appointed w.e.f. July 26, 2023 and September 1, 2023, respectively.*
^ Atul Dhawan was appointed with effect from May 16, 2024

Compensation of the Executive Director(s)

The following tables set forth the details of remuneration paid by our Company to the Executive Directors of our Company during the relevant period for Fiscals 2025, 2024 and 2023:

(in ₹ million)

S. No.	Name of Director	Fiscal 2023	Fiscal 2024	Fiscal 2025
1.	Kiran Mazumdar-Shaw	30.00	38.43	42.28
2.	Siddharth Mittal	47.88	57.31	73.71

Note: The remuneration paid to Executive Directors does not include provisions made for gratuity and compensated absences. Remuneration disclosed above comprises fixed pay and bonus paid to Executive Directors. Executive Directors were not paid any sitting fees for attending the meetings of the Board of Directors or committees thereof.

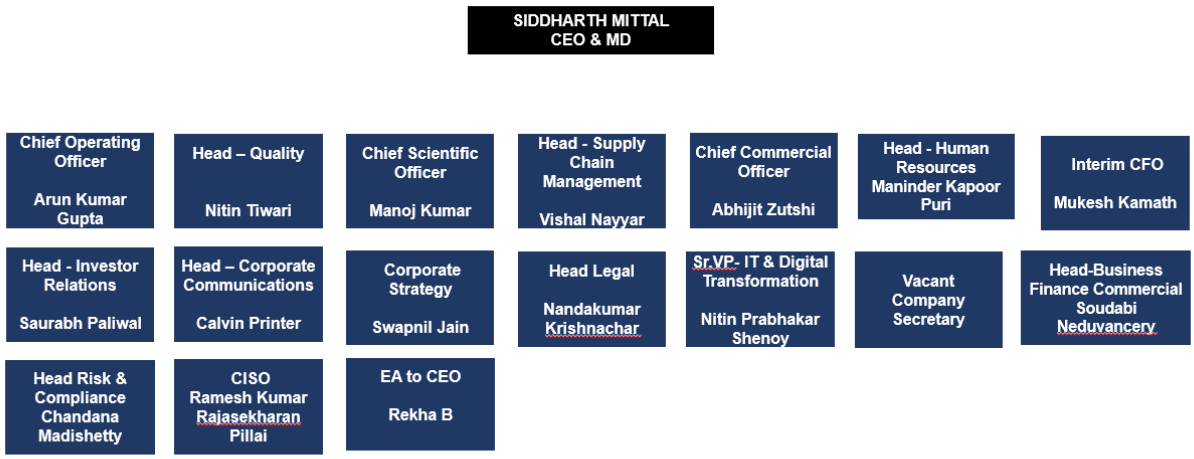
The following tables set forth the details of cumulative compensation paid to the Executive and Non-Executive Directors by our Company and Subsidiaries on consolidated basis during Fiscals 2025, 2024 and 2023:

(in ₹ million)

Name	Fiscal 2025	Fiscal 2024	Fiscal 2023
Directors*			
Kiran Mazumdar-Shaw	96.92	93.12	64.57
Siddharth Mittal	73.71	57.31	47.88
Bobby Kanubhai Parikh	19.33	15.52	14.56
Eric Vivek Mazumdar	5.95	5.57	5.27
Ravi Rasendra Mazumdar	9.80	6.24	9.07
Naina Lal Kidwai	6.80	6.24	6.48
Rekha Mehrotra Menon	6.63	5.70	-
Nicholas Hagger	26.56	5.40	-
Atul Dhawan	6.63	-	-

**Amounts Includes salary, sitting fee, remuneration and commission.*

Organisation chart of our Company



Key Managerial Personnel*

The Key Managerial Personnel are permanent employees of our Company. In addition to Kiran Mazumdar-Shaw, our Chairperson and Executive Director and Siddharth Mittal, Managing Director and CEO, whose details are provided in "*Board of Directors*" above, the details of our other Key Managerial Personnel in terms of the Companies Act, 2013, the SEBI ICDR Regulations and the SEBI Listing Regulations, as on the date of this Preliminary Placement Document are set forth below:

S. No.	Name	Age	Designation
1.	Mukesh Kamath^	53	Interim Chief Financial Officer and Nodal Officer

^ Our Company has also appointed Mukesh Kamath, Interim Chief Financial Officer as Nodal Officer in relation to the issue pursuant to circular resolution passed by the Board at its meeting dated June 7, 2025.

** The company secretary of the Company has resigned with effect from close of business hours of April 14, 2025, and the Company is in the process of appointing a new company secretary within the timelines prescribed under the Companies Act, 2013 and the rules made thereunder.*

Senior Management

Except for Abhijit Zutshi and Nitin Tiwari, all members of our Senior Management are permanent employees of our Company. Besides Mukesh Kamath, Interim Chief Financial Officer of our Company, the details of our Senior Management as on the date of this Preliminary Placement Document are as set forth below:

S. No.	Name	Designation
1.	Abhijit Zutshi	Chief Commercial Officer
2.	Manoj Kumar Pananchukunnath	Chief Scientific Officer
3.	Arun Kumar Gupta	Chief Operating Officer

S. No.	Name	Designation
4.	Maninder Kapoor Puri	Head, Human Resources
5.	Nitin Tiwari	Head, Quality
6.	Vishal Nayyar	Head, Supply Chain Management
7.	Amit Kaptain	Head, Commercials, API

Shareholding of Key Managerial Personnel and Senior Management

Except as stated below, and at *"-Shareholding of Directors"* on page 429 and as disclosed below, none of our Key Managerial Personnel or members of our Senior Management hold Equity Shares in our Company, as on the date of this Preliminary Placement Document:

Name	Designation	Number of Equity Shares	Percentage of the issued and paid-up Equity Share capital (in %)
Mukesh Kamath	Interim Chief Financial Officer	86,848	0.007
Abhijit Zutshi	Chief Commercial Officer	222,077	0.02
Manoj Kumar Pananchukunnath	Chief Scientific Officer	88,063	0.01
Arun Kumar Gupta	Chief Operating Officer	29,550	0.00

Relationship between our Directors, Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel and members of Senior Management are related to each other or to the Directors.

Interest of Key Managerial Personnel and Senior Management

Our Key Managerial Personnel, other than the Directors of our Company, and members of Senior Management, do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them in the ordinary course of business. For details of interests of Directors, see "*-Interest of the Directors*" on page 428. Our Key Managerial Personnel, other than the Directors of our Company, and members of Senior Management may also be interested to the extent of Equity Shares held by them. Under the ESOP 2000 and RSU Plan, except, Kiran Mazumdar-Shaw, Chairperson and Executive Director, the Key Managerial Personnel and members of Senior Management of our Company are also entitled to Equity Shares resulting from the exercise of options. For further details relating to ESOP 2000, RSU 2020 and RSU 2025, see "*Capital Structure-Employees' Stock Option Scheme*" on page 94.

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any Key Managerial Personnel and members of Senior Management was selected as member of key and senior management.

Except as provided in "*Related Party Transactions*" on page 50, and except as disclosed in this Preliminary Placement Document, our Company has not entered into any contract, agreement or arrangement during the three Fiscal Years immediately preceding the date of this Preliminary Placement Document in which any of the Key Managerial Personnel and members of Senior Management are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them.

Corporate governance

Our Board presently consists of 9 (nine) Directors. In compliance with the requirements of the SEBI Listing Regulations, our Board consists of 5 (five) Independent Directors.

Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance, including constitution of our Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of our Board's supervisory role from the executive management team and constitution of our Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our Company's executive management provides our Board detailed reports on its performance periodically.

Committees of our Board of Directors

Our Board has constituted statutory committees, which function in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The statutory committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee; (iv) Risk Management Committee; (v) Corporate Social Responsibility and Environmental Social and Governance Committee.

The following table sets forth details of members of the aforesaid committees, as on the date of this Preliminary Placement Document:

S. No.	Committee	Name and Designation of Members
1.	Audit Committee	(1) Bobby Kanubhai Parikh (Chairperson) (2) Nicholas Robert Haggar (Member) (3) Atul Dhawan (Member)
2.	Nomination and Remuneration Committee	(1) Naina Lal Kidwai (Chairperson) (2) Ravi Rasendra Mazumdar (Member) (3) Rekha Mehrotra Menon (Member)
3.	Stakeholders Relationship Committee	(1) Ravi Rasendra Mazumdar (Chairperson) (2) Bobby Kanubhai Parikh (Member) (3) Rekha Mehrotra Menon (Member)
4.	Risk Management Committee	(1) Bobby Kanubhai Parikh (Chairperson) (2) Kiran Mazumdar-Shaw (Member) (3) Siddharth Mittal (Member) (4) Eric Vivek Mazumdar (Member) (5) Nicholas Robert Haggar (Member) (6) Atul Dhawan (Member)
5.	Corporate Social Responsibility and Environmental Social and Governance Committee	(1) Naina Lal Kidwai (Chairperson) (2) Ravi Rasendra Mazumdar (Member) (3) Siddharth Mittal (Member) (4) Eric Vivek Mazumdar (Member) (5) Rekha Mehrotra Menon (Member) (6) Nicholas Robert Haggar (Member)

Other confirmations

None of the Directors, Promoters, members of Senior Management or Key Managerial Personnel of our Company have any financial or other material interest in the Issue and there is no effect of such interest as is different from the interest of other persons.

Neither our Company, nor the Directors or Promoters have ever been identified as a Wilful Defaulter or Fraudulent Borrower as defined under SEBI ICDR Regulations.

Neither our Company, nor our Directors or Promoters have been debarred from accessing capital markets under any order or direction made by SEBI. Further, none of our individual Promoter or Directors have been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Directors, Promoters, members of Senior Management or Key Management Personnel of our Company intend to subscribe to the Issue.

No change in control in our Company will occur consequent to the Issue.

Policy on disclosures and internal procedure for prevention of insider trading

SEBI Insider Trading Regulations applies to us and our employees and requires us to formulate and implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and a code of conduct to regulate, monitor and report trading by designated persons. Our Company is in compliance with the same and has implemented the "Code of Conduct for Prevention of Insider Trading" and the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" for prevention of insider trading in accordance with the SEBI Insider Trading Regulations and which are available on our website at https://www.biocon.com/investor-relations/corporate-governance/governance-documents-policies/.

Our Company has designated Mukesh Kamath, Interim Chief Financial Officer of the Company, as the compliance officer who is responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified under SEBI Insider Trading Regulations under the overall supervision of the Board.

Related party transactions

For details in relation to the related party transactions entered into by our Company during the last three Financial Years, see "*Related Party Transactions*" on page 50.

SHAREHOLDING PATTERN OF OUR COMPANY

The shareholding pattern of our Company, as on March 31, 2025, is set forth below.

Summary statement showing the shareholding pattern of the Company

Category (I)	Category of shareholder (II)	Nos. of share holders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No. (a)	As a % of total Shares held (b)	
								Class eg: X	Class eg:y	Total								
A	Promoter & Promoter Group	4	728,024,176	-	-	728,024,176	60.64	728,024,176	-	728,024,176	60.64	-	60.64	-	-	-	-	728,024,176
B	Public	424,292	470,038,902	-	-	470,038,902	39.15	470,038,902	-	470,038,902	39.15	-	39.15	-	-	-	-	469,579,550
C	Non Promoter- Non Public	1	2,536,922	-	-	2,536,922	0.21	2,536,922	-	2,536,922	0.21	-	0.21	-	-	-	-	2,536,922
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	1	2,536,922	-	-	2,536,922	0.21	2,536,922	-	2,536,922	0.21	-	0.21	-	-	-	-	2,536,922
	Total	**424,297**	**1,200,600,000**	**-**	**-**	**1,200,600,000**	**100.00**	**1,200,600,000**	**-**	**1,200,600,000**	**100.00**	**-**	**100.00**	-	-	**-**	**-**	**1,200,140,648**

Statement showing shareholding pattern of the Promoter and Promoter Group

	Category & Name of the Shareholders (I)	No. of Share holders (III)	No. of fully Paid up equity share held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total Shares held	No. (a)	As a % of total shares held (b)	
								Class X	Class Y	Total								
1	Indian																	
a	Individuals/Hindu undivided Family	1	484,581,970	-	-	484,581,970	40.36	484,581,970	-	484,581,970	40.36	-	40.36	-	-	-	-	484,581,970
	Kiran Mazumdar-Shaw	1	484,581,970	-	-	484,581,970	40.36	484,581,970	-	484,581,970	40.36	-	40.36	-	-	-	-	484,581,970
b	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1)	**1**	**484,581,970**	**-**	**-**	**484,581,970**	**40.36**	**484,581,970**	**-**	**484,581,970**	**40.36**	**-**	**40.36**	**-**	**-**	**-**	**-**	**484,581,970**
2	Foreign																	
a	Individuals (Non-Resident Individuals/ Foreign Individuals)	2	6,231,042	-	-	6,231,042	0.52	6,231,042	-	6,231,042	0.52	-	0.52	-	-	-	-	6,231,042
	Ravi Rasendra Mazumdar	1	5,301,321	-	-	5,301,321	0.44	5,301,321	-	5,301,321	0.44	-	0.44	-	-	-	-	5,301,321
	Dev Mazumdar	1	929,721	-	-	929,721	0.08	929,721	-	929,721	0.08	-	0.08	-	-	-	-	929,721
b	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Category & Name of the Shareholders (I)	No. of Share holders (III)	No. of fully Paid up equity share held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) as a % of A+B+C2	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total Shares held	No. (a)	As a % of total shares held (b)	
								Class X	Class Y	Total								
d	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	Any Other (specify)	1	237,211,164	-	-	237,211,164	19.76	237,211,164	-	237,211,164	19.76	-	19.76	-	-	-	-	237,211,164
	Glentec International	1	237,211,164	-	-	237,211,164	19.76	237,211,164	-	237,211,164	19.76	-	19.76	-	-	-	-	237,211,164
	Sub-Total (A)(2)	**3**	**243,442,206**	**-**	**-**	**243,442,206**	**20.28**	**243,442,206**	**-**	**243,442,206**	**20.28**	**-**	**20.28**	**-**	**-**	**-**	**-**	**243,442,206**
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**4**	**728,024,176**	**-**	**-**	**728,024,176**	**60.64**	**728,024,176**	**-**	**728,024,176**	**60.64**	**-**	**60.64**	**-**	**-**	**-**	**-**	**728,024,176**

Statement showing shareholding pattern of public Shareholders

	Category & Name of the Shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity share s held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held VII = IV+V+VI	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) VIII	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities	Total shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total Shares held	No. (Not applicable) (a)	As a % of total shares held (Not applicable) (b)	
								Class X	Class Y	Total								
B1	Institutions (Domestic)																	
a	Mutual Funds	30	105,267,671	-	-	105,267,671	8.77	105,267,671	-	105,267,671	8.77	-	8.77	-	-	-	-	105,267,671
	SBI Healthcare Opportunities Fund	1	41,179,699	-	-	41,179,699	3.43	41,179,699	-	41,179,699	3.43	-	3.43	-	-	-	-	41,179,699
	Nippon Life India Trustee Ltd-A/C Nippon India VIS	1	14,988,392	-	-	14,988,392	1.25	14,988,392	-	14,988,392	1.25	-	1.25	-	-	-	-	14,988,392
	Kotak Equity Opportunities Fund	1	15,346,134	-	-	15,346,134	1.28	15,346,134	-	15,346,134	1.28	-	1.28	-	-	-	-	15,346,134
b	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Alternate Investment Funds	7	4,916,269	-	-	4,916,269	0.41	4,916,269	-	4,916,269	0.41	-	0.41	-	-	-	-	4,916,269
d	Banks	1	1,200	-	-	1,200	0.00	1,200	-	1,200	0.00	-	0.00	-	-	-	-	1,200
e	Insurance Companies	17	78,595,952	-	-	78,595,952	6.55	78,595,952	-	78,595,952	6.55	-	6.55	-	-	-	-	78,595,952
	LICI ULIP-GROWTH FUND	1	64,079,812	-	-	64,079,812	5.34	64,079,812	-	64,079,812	5.34	-	5.34	-	-	-	-	64,079,812
f	NBFCs registered with RBI	4	10,870	-	-	10,870	0.00	10,870	-	10,870	0.00	-	0.00	-	-	-	-	10,870
	Sub Total B1	**59**	**188,791,962**	**-**	**-**	**188,791,962**	**15.72**	**188,791,962**	**-**	**188,791,962**	**15.72**	**-**	**15.72**	-	-	**-**	**-**	**188,791,962**
B2	Institutions (Foreign)																	
a	Foreign Portfolio Investors Category I	225	65,254,814	-	-	65,254,814	5.44	65,254,814	-	65,254,814	5.44	-	5.44	-	-	-	-	65,254,814

	Category & Name of the Shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held VII = IV+V+VI	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) VIII	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total Shares held	No. (Not applicable) (a)	As a % of total shares held (Not applicable) (b)	
								Class X	Class Y	Total								
b	Foreign Portfolio Investors Category II	21	2,745,738	-	-	2,745,738	0.23	2,745,738	-	2,745,738	0.23	-	0.23	-	-	-	-	2,745,738
	Sub Total B2	246	68,000,552	-	-	68,000,552	5.66	68,000,552	-	68,000,552	5.66	-	5.66	-	-	-	-	68,000,552
B3	Central Government/ State Government(s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B4	Non-Institutions	-	-	-	-		-		-		-	-	-	-	-	-	-	
a	Directors and their relatives (excluding independent directors and nominee directors)	3	7,320,441	-	-	7,320,441	0.61	7,320,441	-	7,320,441	0.61	-	0.61	-	-	-	-	7,320,441
b	Key Managerial Personnel	1	86,848	-	-	86,848	0.01	86,848	-	86,848	0.01	-	0.01	-	-	-	-	86,848
c	Investor Education and Protection Fund	1	168,479	-	-	168,479	0.01	168,479	-	168,479	0.01	-	0.01	-	-	-	-	168,479
d	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	406,428	96,009,055	-	-	96,009,055	8.00	96,009,055	-	96,009,055	8.00	-	8.00	-	-	-	-	95,997,373
e	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	257	67,639,121	-	-	67,639,121	5.63	67,639,121	-	67,639,121	5.63	-	5.63	-	-	-	-	67,544,141
	Arun Suresh Chandavarkar	1	13,200,000	-	-	13,200,000	1.10	13,200,000	-	13,200,000	1.10	-	1.10	-	-	-	-	13,200,000
f	Non Resident Indians (NRIs)	9,002	8,949,222	-	-	8,949,222	0.75	8,949,222	-	8,949,222	0.75	-	0.75	-	-	-	-	8,949,128
g	Foreign Nationals	9	4,029,812	-	-	4,029,812	0.34	4,029,812	-	4,029,812	0.34	-	0.34	-	-	-	-	3,677,396
g	Bodies Corporate	1,630	17,529,028	-	-	17,529,028	1.46	17,529,028	-	17,529,028	1.46	-	1.46	-	-	-	-	17,529,028

	Category & Name of the Shareholders (I)	Nos. of shareholder (III)	No. of fully paid up equity share s held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held VII = IV+V+VI	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) VIII	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities	Total shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total Shares held	No. (Not applicable) (a)	As a % of total shares held (Not applicable) (b)	
								Class X	Class Y	Total								
h	Any other (specify)	6,656	11,514,382	-	-	11,514,382	0.96	11,514,382	-	11,514,382	0.96	-	0.96	-	-	-	-	11,514,202
	HUF	6,632	4,965,546	-	-	4,965,546	0.41	4,965,546	-	4,965,546	0.41	-	0.41	-	-	-	-	4,965,366
	Trusts	14	1,002,468	-	-	1,002,468	0.08	1,002,468	-	1,002,468	0.08	-	0.08	-	-	-	-	1,002,468
	Beneficial Holdings Under MGT-4	2	5,541,590	-	-	5,541,590	0.46	5,541,590	-	5,541,590	0.46	-	0.46	-	-	-	-	5,541,590
	Clearing members	8	4,778	-	-	4,778	0.00	4,778	-	4,778	0.00	-	0.00	-	-	-	-	4,778
	Sub Total B4	**423,987**	**213,246,388**	**-**	**-**	**213,246,388**	**17.76**	**213,246,388**	**-**	**213,246,388**	**17.76**	**-**	**17.76**	-	-	**-**	**-**	**212,787,036**
	Total Public Shareholding (B)=(B1)+(B2)+(B3)+(B4)	424,292	470,038,902	-	-	470,038,902	39.15	470,038,902	-	470,038,902	39.15	-	39.15	-	-	-	-	469,579,550

Statement showing shareholding pattern of non Promoter - non public Shareholders

	Category & Name of the Shareholders (I)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total no. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of Total Voting rights			No.	As a % of total Shares held	No. (Not applicable)	As a % of total shares held (Not applicable)	
								Class X	Class Y	Total								
1	Custodian/DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2	Employee Benefit Trust																	
	Employee Benefit Trust	1	2,536,922	-	-	2,536,922	0.21	2,536,922	-	2,536,922	0.21	-	0.21	-	-	-	-	2,536,922
	Total Non-Promoter-Non Public Shareholding (C)= (C)(1)+(C)(2)	**1**	**2,536,922**	**-**	**-**	**2,536,922**	**0.21**	**2,536,922**	**-**	**2,536,922**	**0.21**	**-**	**0.21**	-	-	**-**	**-**	**2,536,922**

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the application, payment of Bid Amount, Allocation and Allotment of the Equity Shares to be issued pursuant to the Issue. The procedure followed in the Issue may differ from the one mentioned below and investors are assumed to have apprised themselves of the same from our Company or the Book Running Lead Managers. Prospective investors are advised to inform themselves of any restrictions or limitations that may be applicable to them. Also see "Selling Restrictions" and "Transfer Restrictions" on pages 461 and 470, respectively.

Our Company, the Book Running Lead Managers and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.

Bidders that have applied in the Issue are required to confirm and are deemed to have represented to our Company, the Book Running Lead Managers and their respective directors, employees, counsels, officers, agents, affiliates and representatives that they were eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Book Running Lead Managers and their respective directors, officers, employees, counsels, agents, affiliates, and representatives accept no responsibility or liability for advising any Bidder on whether such Bidder was eligible to acquire the Equity Shares. For details, see section titled, "Selling Restrictions" and "Transfer Restrictions" on pages 461 and 470, respectively.

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document has not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, 2013 and rules thereunder, through the mechanism of a Qualified Institutions Placement ("**QIP**"). Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs, provided that:

- the Shareholders have adopted a special resolution passed by way of a postal ballot dated June 4, 2025 approving the Issue. Such special resolution specifies (a) that the allotment of Equity Shares is proposed to be made pursuant to the Issue and (b) the Relevant Date for the Issue;

- the explanatory statement to the notice to the Shareholders for convening the general meeting must disclose, amongst others, the particulars of the Issue including the date of passing the board resolution, the kind of securities being offered, the price at which they are offered, amount which the company intends to raise by way of such securities and the material terms of raising such securities, proposed Issue schedule, the purpose or objects of offer, the contribution made by the Promoters or Directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, equity shares of the same class of such issuer, which are proposed to be allotted through the Issue, are listed on a recognized stock exchange in India that has nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its Shareholders for convening the meeting to pass the above-mentioned special resolution. This is not applicable

to such companies who propose to undertake a QIP for complying with the minimum public shareholding requirements specified in the SCRR;

- the "Equity Shares of the same class" shall mean Equity Shares which rank pari passu in relation to rights as to the dividend, voting otherwise of our Company;
- invitation to apply in the Issue must be made through a private placement offer letter (i.e., this Preliminary Placement Document and an Application Form) serially numbered and addressed specifically to the Eligible QIBs to whom the Issue is made either in writing or electronic mode, within 30 days of recording the name of such person in accordance with applicable law;
- the allotments with respect to any earlier offer or invitation made by the Company shall have been completed or the Company shall have withdrawn or abandoned such invitation or offer made, except as permitted under the Companies Act, 2013;
- in accordance with the SEBI ICDR Regulations, issuance and allotment of Equity Shares shall be made only in dematerialized form;
- our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue;
- our Company shall have completed allotments with respect to any offer or invitation made by our Company earlier or has withdrawn or abandoned any such invitation or offer, however, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;
- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer cum application letter, the Company must prepare and record a list of Eligible QIBs to whom the offer will be made. The QIP must be made only to such Eligible QIBs whose names are recorded by the issuer prior to the invitation to subscribe;
- our Company acknowledges that the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the QIP is prohibited. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialized form to the Allottees;
- the Promoters and Directors are not fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018;
- the Promoters or Directors are not declared as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI;
- the Equity Shares issued through the QIP shall be listed on the Stock Exchanges where the Equity Shares of our Company are listed and our Company shall seek approval under rule 19(7) of the SCRR, if applicable; and
- the Promoters or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 1, 2016.

Please note that the requirement under Regulation 172(1)(b) of the SEBI ICDR Regulations, i.e. the Equity Shares of the same class of our Company, which are proposed to be allotted through the Issue, are listed on the Stock Exchanges, for a period of at least one year prior to the date of issuance of notice to our Shareholders for convening the meeting to adopt the above-mentioned special resolution.

At least 10% of the Equity Shares issued to Eligible QIBs shall be allotted to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Issue Closing Date.

Bidders were required to make certain representations, warranties and undertakings in order to participate in the Issue. Bidders are deemed to have represented to us and the BRLMs in order to participate in the Issue that they are outside the United States and purchasing the Equity Shares in an "*offshore transaction*" as defined and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. For details, see sections titled "*Representations by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions*" beginning on pages 5, 461 and 470, respectively of this Preliminary Placement Document.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the stock exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The "Relevant Date" referred to above means the date of the meeting in which the Board of Directors or the Fund Raising Committee decides to open the Issue and "stock exchange", for the purposes of determination of price, means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Further, in accordance with the special resolution of our Shareholders passed by way of a postal ballot dated June 4, 2025, our Company may offer a discount of not more than 5% on the Floor Price in accordance with the SEBI ICDR Regulations. The Issue Price shall be subject to appropriate adjustments, if our Company makes any alteration to its share capital as mentioned in Regulation 176(4) of the SEBI ICDR Regulations.

The Equity Shares will be Allotted within 365 days from the date of the Shareholders' resolution approving the Issue being June 4, 2025, and within 60 days from the date of receipt of Bid Amount from the Successful Bidders, failing which our Company shall refund the Bid Amount in accordance with applicable law. For details of refund of Bid Amount, see "– *Pricing and Allocation – Designated Date and Allotment of Equity Shares*" on page 456.

Subscription to the Equity Shares offered pursuant to the Issue must be made by Eligible QIBs on the basis of this Preliminary Placement Document and the Placement Document, which shall contain all material information required under applicable law including the information specified in Schedule VII of SEBI ICDR Regulations and the requirements prescribed under Form PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of the Preliminary Placement Document addressed to you, you may not rely on this Preliminary Placement Document or the Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

This Issue was authorized and approved by our Board on April 23, 2025 and approved by our Shareholders, by way of a postal ballot resolution on June 4, 2025.

The minimum number of allottees with respect to a QIP shall not be less than:

- two, where the issue size is less than or equal to ₹2,500 million; and
- five, where the issue size is greater than ₹2,500 million.

No single Allottee shall be Allotted more than 50% of the Issue Size.

Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single allottee. For details of what constitutes "same group" or "common control", see section "*Bid Process—Application Form*" on page 451.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on a recognized stock exchange.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares offered in the Issue have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold in any jurisdiction outside India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons who are qualified institutional buyers (as defined in Rule 144A) pursuant to Section 4(a) or another available exemption from registration under the Securities Act, and (b) outside the United States in offshore transactions as defined in and in reliance upon Regulation S. The Equity Shares are transferable only in accordance with the restrictions described under "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 461 and 470, respectively. For the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Preliminary Placement Document as "QIBs".

Our Company has filed a copy of this Preliminary Placement Document with each of the Stock Exchanges. Our Company has received in-principle approvals from each of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for the listing of the Equity Shares on the BSE and NSE on June 16, 2025.

Our Company shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act and the PAS Rules.

Issue Procedure

1. On the Issue Opening Date, our Company and the Book Running Lead Managers shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to Eligible QIBs and the Application Form will be specifically addressed to each such Eligible QIB. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to whom this Preliminary Placement Document and the serially numbered Application Form have been dispatched. Our Company will make the requisite filings with the RoC within the stipulated time periods as required under the Companies Act, 2013 and the PAS Rules. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered will be determined by our Company in consultation with the Book Running Lead Managers, at their sole discretion.

2. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Bid Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

3. Eligible QIBs may submit the Application Form, including any revisions thereof along with the Bid Amount and a copy of the PAN card or PAN allotment letter, during the Issue Period to the Book Running Lead Managers. Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

4. Bidders will be required to indicate the following in the Application Form:

   - it has agreed to the representations as set forth in the Application Form and this Preliminary Placement Document;
   - a representation that it is either (i) outside the United States acquiring the Equity Shares in an offshore transaction under Regulation S and the applicable laws of the jurisdiction where those offers and sales are made, or (ii) a "qualified institutional buyer" as defined in Rule 144A purchasing the Equity Shares pursuant to Section 4(a) under the Securities Act, and it has agreed to certain other representations set forth in the "*Representation by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 5, 461 and 470, respectively, and certain other representations made in the Application Form;
   - full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail id, PAN details and bank account details;
   - number of Equity Shares Bid for;
   - price at which they are agreeable to subscribe for the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;
   - Equity Shares held by the Eligible QIBs in our Company prior to the Issue;
   - details of the beneficiary account maintained with a depository participant to which the Equity Shares should be credited; and
   - Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

5. Pursuant to press note no. 3 (2020 series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments by an entity of a country which shares land border with India or where the beneficial owner of such investment is situated in or is a citizen of such country, may only be made through the government approval route, as prescribed in the FEMA Rules and shall have to be in conformity with the applicable provisions of the FEMA Rules.

6. Each Bidder shall be required to make the entire payment of the Bid Amount for the number of Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name "Biocon Limited – 2025 – QIP Escrow Account" within the Issue Period as specified in the Application Form sent to the respective Bidders. No payment shall be made by the Bidders in cash. Please note that any payment of Bid Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. Bid Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Pending Allotment, and the filing of return of Allotment by our Company with the RoC, or receipt of final trading approval from the Stock Exchanges, whichever is later, Bid Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, (c) the Bid Amount has been arrived at using an indicative price higher than the Issue

Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but on or prior to the Issue Closing Date, the excess Bid Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "-*Refunds*" on page 457.

7. Once a duly completed Application Form is submitted by a Bidder and the Bid Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form. In case Bids are being made on behalf of the Eligible QIB and the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

8. The Eligible QIBs acknowledge that in accordance with the requirements of the Companies Act, upon Allocation, our Company will be required to disclosed the names of proposed Allottees and the percentage of their post Issue shareholding in the Placement Document and any other regulatory filing and consents to such disclosure, if any Equity Shares were allocated to it.

9. The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.

10. Upon receipt of the duly completed Application Form and the Bid Amount in the Escrow Account, after the Issue Closing Date, our Company shall, in consultation with Book Running Lead Managers determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the Book Running Lead Managers will send the serially numbered CAN and the Placement Document to the Eligible QIBs who have been Allocated the Equity Shares. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form. **Please note that the Allocation will be at the absolute discretion of our Company and will be based on the recommendation of the Book Running Lead Managers.**

11. Upon determination of the Issue Price and the issuance of CAN and prior to Allotment of Equity Shares to the Successful Bidders, the Book Running Lead Managers, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

12. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. We will inform the Stock Exchanges of the details of the Allotment.

13. After passing the resolution for Allotment by the Board or its committee approving the Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the

depository participant, as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

14. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

15. Our Company will then apply for the final listing and trading approvals from the Stock Exchanges.

16. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Eligible QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final listing and trading approvals from the Stock Exchanges.

17. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the final listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the Book Running Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final listing and trading permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Prospective investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

18. In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted, in the form and manner set out in the Refund Intimation which will be dispatched to such Bidder.

Qualified Institutional Buyers

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to foreign portfolio investors, only Eligible FPIs applying under Schedule II of the FEMA Rules will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- alternate investment funds registered with SEBI;
- Eligible FPIs other than individuals, corporate bodies and family offices, registered with SEBI;
- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions, if eligible to invest in India under applicable law;
- Mutual Funds, VCFs and AIFs registered with SEBI;
- pension funds with minimum corpus of ₹2,500 million registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013;
- provident funds with minimum corpus of ₹250 million;
- public financial institutions as defined under Section 2(72) of the Companies Act;
- scheduled commercial banks;
- state industrial development corporations;

- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- systemically important non-banking financial companies; and
- subject to such QIB not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations.

Eligible FPIs are permitted to participate through the portfolio investment scheme under Schedule II of FEMA Rules respectively, in this Issue. Eligible FPIs are permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard. Other eligible non-resident QIBs shall participate in the Issue under Schedule I of the FEMA Rules. FVCIs are not permitted to participate in this Issue.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or more of the post-Issue Equity Share Capital of our Company, and the total holding of all FPIs, collectively, shall not exceed 24% of the paid-up equity share capital of our Company. In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company on a fully diluted basis. In case the holding of an FPI or investor group increases to 10% or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the aforementioned prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per the procedure specified by SEBI, and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (i) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which the Company operates (i.e. up to 100% under automatic route). The existing aggregate investment limit for FPIs in the Company is 100% of the paid-up capital of the Company.

As per the circular issued by SEBI on November 5, 2019, these investment restrictions shall also apply to subscribers of P- Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Note. In the event an investor has investments as an FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company.

Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company. Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed NSDL as the designated depository to monitor the level of FPI/NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Restriction on Allotment

Under Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being, promoters, or any person related to, the promoter. QIBs which have all or any of the following rights shall be deemed to be persons related to the promoter:

- rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the promoter group;
- veto rights; or
- a right to appoint any nominee director on the Board.

Provided, however, that a QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the promoter.

Our Company, the Book Running Lead Managers and any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document.

A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of under subscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering an open offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.

Note: *Affiliates or associates of the Book Running Lead Managers who are QIBs may participate in the Issue in compliance with applicable laws.*

Bid Process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and/or the Book Running Lead Managers in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Issue Period, and in such case, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, the Eligible QIB will be deemed to have made the following representations, warranties, acknowledgements and undertakings as well as those given or made under the sections "*Notice to Investors*", "*Representations by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 3, 5, 461 and 470, respectively:

1. Each Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

2. Each Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoter, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter or Promoter Group or persons related to the Promoter;

3. Each Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoter or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender which shall not be deemed to be a person related to the Promoter;

4. Each Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;

5. Each Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchanges;

6. Each Eligible QIB confirms that it is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The Eligible QIB further confirms that the holding of the Eligible QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Eligible QIB;

7. Each Eligible QIB confirms that its Bid would not result in triggering an open offer under the SEBI Takeover Regulations;

8. Each Eligible QIB confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

9. Each Eligible QIB agrees that although the Bid Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, 2013 and rules made thereunder, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the Book Running Lead Managers. The Eligible QIB further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

10. Each Eligible QIB acknowledges that in terms of the requirements of the Companies Act, 2013, upon Allocation, the Company will be required to disclose names as proposed Allottees and percentage to post-Issue shareholding of the proposed Allottees in the Placement Document and consents to such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Book Running Lead Managers;

11. Each Bidder agrees that it will make payment of its Bid Amount along with submission of the Application Form within the Issue Period. Each Bidder agrees that once a duly filled Application Form is submitted by a Bidder, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date;

12. Each Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

    a. Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiaries or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and

independent directors, amongst an Eligible QIB, its subsidiaries or holding company and any other QIB; and

b. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(i) of the SEBI Takeover Regulations;

13. Each Eligible QIB acknowledges that no Allotment shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price;

14. Each Eligible QIB confirms that:

a. It will make payment of its Bid Amount along with submission of the Application Form within the Bidding Period;

b. if it is within the United States, it is a U.S. QIB who is or are acquiring the Equity Shares for its own account or for the account of an institutional investor who also meets the requirement of a U.S. QIB, for investment purposes only and not with a view to, or for resale in connection with, the distribution (within the meaning of any United States securities laws) thereof, in whole or in part and are not our affiliate or a person acting on behalf of such an affiliate;

c. if it is outside the United States, it is purchasing the Equity Shares in an offshore transaction as defined in and in reliance upon Regulation S, and is not our affiliate or a person acting on behalf of such an affiliate;

15. Each Eligible QIB confirms that it has agreed to certain other representations set forth in the sections titled, "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 461 and 470 respectively, and the other representations made in the Application Form;

16. Each Eligible QIBs confirm that they shall not undertake any trade in the Equity Shares credited to their beneficiary accounts maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares Allotted in the Issue are issued by the Stock Exchanges; and

17. Each Bidder acknowledges that it is eligible to invest and hold the Equity Shares of our Company in accordance with press note no. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT and the FDI Policy, wherein if the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules. The Bidder confirms that no government approval is required under the FEMA Rules, as mandated under the Companies (Share Capital and Debentures) Rules, 2014 and PAS Rules as amended.

ELIGIBLE QIBS MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, THE ELIGIBLE QIBS SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGERS TO EVIDENCE THEIR STATUS AS AN "ELIGIBLE QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, ESCROW BANK OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSURE, THE ELIGIBLE QIBS SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the

Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Bid Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter. Additionally, the Application Form will include details of the relevant Escrow Account into which the Bid Amounts will have to be deposited. The Bid Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the Book Running Lead Managers either through electronic form or through physical delivery at the following address:

Name of Book Running Lead Manager	Address	Contact Person	Email and Website	Contact details
Kotak Mahindra Capital Company Limited	27BKC, 1st Floor, Plot No. C – 27 "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India	Ganesh Rane	E-mail: biocon.qip@kotak.com Website: https://investmentbank.kotak.com	+91 22 4336 0000
BofA Securities India Limited	Ground Floor, A Wing, One BKC, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India	Raj Bedmutha	E-mail: dg.biocon_qip@bofa.com Website: https://www.business.bofa.com/in/en/about-us.htm	+91 22 6632 8000
Goldman Sachs (India) Securities Private Limited	951-A, Rational House, Appasaheb Marathe Marg, Prabhadevi, Mumbai, 400 025, Maharashtra, India	Amur Khandelwal	E-mail: gs-biocon@gs.com Website: www.goldmansachs.com	+91 22 6616 9000

The Book Running Lead Managers shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

Bidders Bidding in the Issue, shall pay the entire Bid Amount along with the submission of the complete Application Form, within the Issue Period.

Payment of Bid Amount

Our Company has opened the "*Biocon Limited – 2025 – QIP Escrow Account*" with the Escrow Bank in terms of the arrangement among our Company, the Book Running Lead Managers and the Escrow Bank. Each Bidder will be required to deposit the entire Bid Amount payable for the Equity Shares Bid by it along with applied for through the Application Form submitted by it in accordance with the applicable laws. Bidders can make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

Note: Payments are to be made only through electronic fund transfer. Payments made through cash, demand draft or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable to be rejected.

If the payment is not made favouring the "*Biocon Limited – 2025 – QIP Escrow Account*" within the Issue Period stipulated in the Application Form, the Application Form of the Eligible QIB is liable to be cancelled.

Pending Allotment, our Company undertakes to utilise the amount deposited in "*Biocon Limited – 2025 – QIP Escrow Account*" with Escrow Bank only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) refund of Bid Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, the excess Bid Amount will be refunded to the same bank account from which Bid Amount was remitted, in the form and manner set out in "- *Refunds*" on page 457.

Permanent Account Number or PAN

Each Bidder should mention its PAN allotted under the Income Tax Act, 1961 in the Application Form and enclose a copy of the PAN card or PAN allotment letter along with the Application Form. Applications without this information will be considered incomplete and are liable to be rejected. Bidders should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank Account Details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Pricing and Allocation

Build-up of the Book

The Eligible QIBs shall submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the Book Running Lead Managers. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the Book Running Lead Managers.

Price Discovery and Allocation

Our Company, in consultation with the Book Running Lead Managers, shall determine the Issue Price, which shall be at or above the Floor Price. However, our Company may offer a discount of not more than 5% on the Floor Price in accordance with the special resolution of our Shareholders passed by way of a postal ballot on June 4, 2025. After finalisation of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Book Running Lead Managers on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company in consultation with BRLMs have the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL BIDDERS. BIDDERS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BOOK

RUNNING LEAD MANAGERS ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CONFIRMATION OF ALLOCATION NOTE ("CAN")

Based on receipt of the serially numbered Application Forms and Bid Amount, our Company, in consultation with the Book Running Lead Managers, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Bid Amount for the Equity Shares Allotted shall be notified to such Successful Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in the Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board/ its committee will approve the Allotment of the Equity Shares to the Allottees in consultation with the Book Running Lead Managers.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in "*Notice to Investors*" on page 3 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the respective CANs.

The Equity Shares in the Issue will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act. However, transfer of securities of listed companies in physical form is not permitted pursuant to Regulation 40 of the SEBI Listing Regulations.

Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.

Following the Allotment and credit of Equity Shares into the Successful Bidders' beneficiary accounts maintained with the Depository Participant, as indicated in the respective Application Form, our Company will apply for final listing and trading approvals from the Stock Exchanges.

Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, viz, the names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document. Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. Further, as required in terms of the PAS Rules, names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company will be disclosed in the Placement Document.

The Escrow Bank shall release the monies lying to the credit of the Escrow Account to our Company only upon receipt of notice from the Book Running Lead Managers and the listing and trading approvals of the Stock Exchanges for

Equity Shares offered in the Issue are received by our Company and after filing return of Allotment under Form PAS-3 with the RoC within the prescribed timelines under the Companies Act.

In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

After finalization of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document, which will include names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or the Bid Amount paid by a Bidder is in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to such Bidder and the Issue Price, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder lowers or withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which the Bid Amount was remitted, in the form and manner set out in the Refund Intimation. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue or on cancellation of the Issue, within 60 days from the date of receipt of the Bid Amount, or where our Company has Allotted the Equity Shares but final listing and trading approvals are refused by the Stock Exchanges. our Company shall repay the Bid Amount within 15 days from expiry of 60 days, failing which our Company shall repay that money with interest at such rate and in such manner as prescribed under the Companies Act, 2013.

We, at our sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever. Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final listing and trading approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Other Instructions

Submission of Documents

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted with the Company/BRLMs as soon as practicable.

Right to Reject Applications

Our Company, in consultation with the Book Running Lead Managers, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Book Running Lead Managers in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder. For details see "-*Bid Process*" and "-*Refund*" on pages 451 and 457, respectively.

Equity Shares in dematerialized form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all Eligible QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Book Running Lead Managers will not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

Release of Funds to our Company

The Escrow Bank shall not release the monies lying to the credit of the "Biocon Limited – 2025 – QIP Escrow Account" to our Company until receipt of notice from the Book Running Lead Managers, the listing and trading approvals of the Stock Exchanges for Equity Shares offered in the Issue and filing of return of Allotment under Form PAS-3 with the RoC, whichever is later.

PLACEMENT

Placement Agreement

The Book Running Lead Managers has entered into the Placement Agreement dated June 16, 2025 with our Company, pursuant to which the Book Running Lead Managers has agreed, subject to certain conditions, to manage the Issue and to act as placement agents and procure subscription to Equity Shares on a reasonable efforts basis to be placed with the Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, as amended and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

The Placement Agreement contains customary representations, warranties and indemnities from our Company and the Book Running Lead Managers, and it is subject to termination in accordance with the terms contained therein. Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

The Equity Shares offered in the Issue have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold in any jurisdiction outside India except in compliance with the applicable laws of each such jurisdiction.

The Equity Shares have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold by our Company (a) in the United States only to persons reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the Securities Act) pursuant to Section 4(a) under the Securities Act, and (b) outside the United States, in offshore transactions, in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For further information, see "*Selling Restrictions*" and "*Transfer Restrictions*" on pages 461 and 470, respectively.

This Preliminary Placement Document has not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares issued pursuant to the Issue, will be offered in India or overseas to the public or any members of the public or any other class of prospective investors, other than Eligible QIBs.

In connection with the Issue, the Book Running Lead Managers (or its affiliates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Managers may hold long or short positions in such Equity Shares.

These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Managers may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see "*Offshore Derivative Instruments*" on page 11.

From time to time, the Book Running Lead Managers, and its affiliates and associates have engaged in or may in the future engage in transactions with and perform services including but not limited to investment banking, advisory, banking, trading services for our Company, our Subsidiaries, affiliates and the shareholders of our Company, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the Book Running Lead Managers and its affiliates and associates.

Lock-up

Our Company agrees, subject to the exceptions set out below, not to:

(a) issue, offer, lend, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of,

directly or indirectly, any equity shares, or any securities convertible into or exercisable or exchangeable for equity share;

(b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of equity shares; or

(c) publicly announce any intention to enter into any transaction described in (a) or (b) above, whether any such transaction described in (a) or (b) above is to be settled by delivery of equity shares, or such other securities, in cash or otherwise, for a period from the date hereof up to 90 days after the Closing Date without the prior written consent of the Book Running Lead Managers, however, the foregoing restriction shall not be applicable to the (i) the issuance of the Issue Shares pursuant to the Issue; (ii) issuance of Equity Shares pursuant to conversion of ESOPs issued by the Company; and (iii) any transaction required by law or an order of a court of law or a statutory authority

Promoter Lock-up

Our Promoters have undertaken that each of them will not, commencing from the date hereof and for a period of 60 days from the Closing Date under the Issue, without the prior written consent of the Placement Agents ("**Lock-up Period**") directly or indirectly:

(1) offer, pledge, sell, encumber, contract to sell, lend, purchase any option, grant or sell any option, right, contract or warrant to purchase, make any short sale or otherwise transfer or dispose of any Lock Up Shares or any other securities of the Company substantially similar to the Equity Shares, including, but not limited to options, warrants or other securities that are convertible into, exercisable or exchangeable for, or that represent the right to receive Lock-up Shares, whether now owned or hereinafter acquired;

(2) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequences of ownership of the Equity Shares and the securities that are convertible into, exercisable or exchangeable for or any such substantially similar securities, whether now owned or hereinafter acquired;

(3) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares in any depository receipt facility and

(4) publicly announce any intention to enter into any transaction whether any such transaction described in (1) to (3) above is to be settled by delivery of Lock-up Shares, or such other securities, in cash or otherwise.

SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document and the offer, sale or delivery of the Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

This Issue is being made only to Eligible QIBs through a QIP, in reliance upon Chapter VI of the SEBI ICDR Regulations and the Companies Act. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under "Notice to Investors", "Representations by Investors" and "Transfer Restrictions" on pages 3, 5 and 470, respectively.

General

No action has been taken or will be taken by our Company or the BRLMs that would permit a public offering of the Equity Shares offered in the Issue to occur in any jurisdiction. Except for in India, no action has been taken or will be taken by our Company or the BRLMs that would permit the offering of the Equity Shares offered in the Issue or the possession, circulation or distribution of this Preliminary Placement Document or any other information relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required. The Equity Shares may not be offered or sold, directly or indirectly, and this Preliminary Placement Document or any offering materials or advertisements may not be distributed in any jurisdiction except under circumstances that will result in compliance with the applicable laws, rules and regulations of any such jurisdiction. Persons who may come into possession of this Preliminary Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions.

The Issue will be made in compliance with the applicable SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

Each subscriber of the Equity Shares offered in the Issue will be deemed to have made the representations, warranties, acknowledgments and agreements as described in this section and in "***Notice to Investors***", "***Representations by Investors***" and "***Transfer Restrictions***" on pages 3, 5 and 470, respectively.

Republic of India

This Preliminary Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which the Offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public or any other class of investors other than Eligible QIBs. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC, and will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

Australia

This Preliminary Placement Document:

- does not constitute a product disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) (the "**Corporations Act**");

- has not been, and will not be, lodged with the Australian Securities and Investments Commission ("**ASIC**"), as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act;

- does not constitute or involve a recommendation to acquire, an offer or invitation for issue or sale, an offer or invitation to arrange the issue or sale, or an issue or sale, of interests to a "retail client" (as defined in section 761G of the Corporations Act and applicable regulations) in Australia; and

- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors ("**Exempt Investors**"), available under section 708 of the Corporations Act.

The Equity Shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the Equity Shares may be issued, and no draft or definitive Preliminary Placement Document, advertisement or other offering material relating to any Equity Shares may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the Equity Shares, you represent and warrant to us that you are an Exempt Investor.

As any offer of Equity Shares under this Preliminary Placement Document will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the Equity Shares you undertake to us that you will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those securities to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC

Bahrain

All applications for investment should be received, and any allotments should be made, in each case from outside Bahrain. This Preliminary Placement Document has been prepared for private information purposes of intended investors only who will be high net worth individuals and institutions. Our Company has not made and will not make any invitation to the public in the Kingdom of Bahrain and this Preliminary Placement Document will not be issued, passed to, or made available to the public generally. The Bahrain Monetary Agency ("**BMA**") has not reviewed, nor has it approved, the Preliminary Placement Document or the marketing of Equity Shares in the Kingdom of Bahrain. Accordingly, Equity Shares may not be offered or sold in Bahrain or to residents thereof except as permitted by Bahrain law.

British Virgin Islands

The Equity Shares are not being, and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on our behalf. The Equity Shares may be offered to companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands) (each a "**BVI Company**"), but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

This Preliminary Placement Document has not been, and will not be, registered with the Financial Services Commission of the British Virgin Islands. No registered document has been or will be prepared in respect of the Equity Shares for the purposes of the Securities and Investment Business Act, 2010 or the Public Issuers Code of the British Virgin Islands.

Cayman Islands

No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands.

People's Republic of China

This Preliminary Placement Document does not constitute an offer of the Equity Shares offered in the Issue, whether by way of sale or subscription, in the People's Republic of China (the "**PRC**"). The Equity Shares are not being offered and may not be offered or sold, directly or indirectly, in the PRC to, or for the benefit of legal or natural persons of the PRC. According to legal and regulatory requirements of the PRC, the Equity Shares may, subject to the laws and regulations of the relevant jurisdictions, only be offered or sold to non-PRC natural or legal persons in any country other than the PRC.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Relevant State**"), an offer to the public of any Equity Shares in the Issue may not be made in that Relevant State, except if the Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the "**Prospectus Regulation**"):

- to any legal entity that is a qualified investor, as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the Book Running Lead Managers for any such offer;
- or in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall result in a requirement for the publication by the Company or the Book Running Lead Managers of a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this section, the expression an "offer of Equity Shares to the public" in relation to any Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

Each person in a Relevant State who acquires Equity Shares in the Issue or to whom any offer is made shall be deemed to have represented that it is a "qualified investor" as defined in the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Equity Shares subscribed for or acquired by it in the Issue have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant State to qualified investors (as so defined) or in circumstances in which the prior consent of the Book Running Lead Managers has been obtained to each such proposed offer or resale.

Our Company, the Book Running Lead Managers and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Hong Kong

The Equity Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Equity Shares has been or will be issued for the purposes of the issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong), other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Japan

The Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law. No. 25 of 1948 as amended) (the "**FIEA**") and disclosure under the FIEA has not been and will not be made with respect to the Equity Shares. No Equity Shares have, directly or indirectly, been offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Law of Japan

("**Japanese Resident**") or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree is not a "qualified institutional investor" (*tekikaku kikan toshika*), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act (the "**Qualified Institutional Investor**"), the Equity Shares will be offered in Japan by a private placement to small number of investors (*shoninzu muke kanyu*), as provided under Article 23- 13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA will not be made.

If an offeree is a Qualified Institutional Investor, the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investors (*tekikaku kikan toshikamuke kanyu*), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA will not be made. To subscribe to the Equity Shares (the "**QII Equity Shares**") such offeree will be required to agree that it will be prohibited from selling, assigning, pledging or otherwise transferring the QII Equity Shares other than to another Qualified Institutional Investor.

Jordan

The Equity Shares offered in the Issue have not been and will not be offered, sold or delivered at any time, directly or indirectly, in the Hashemite Kingdom of Jordan in a manner that would constitute a public offering. This Preliminary Placement Document has not been and will not be reviewed or approved by, or registered with, the Jordan Securities Commission in accordance with its regulations and any other regulations in the Hashemite Kingdom of Jordan. The Equity Shares are not and will not be traded on the Amman Stock Exchange. The Equity Shares have not been and will not be offered, sold or promoted or advertised in Jordan other than in compliance with the Securities Law No. (76) of 2002, as amended, the Law Regulating Dealings in Foreign Exchange No. (50) of 2008, and regulations issued pursuant thereto governing the issue of offering and sale of securities. Without limiting the foregoing, the Equity Shares have not been and will not, in any manner, be offered, sold, promoted or advertised to more than thirty (30) persons in Jordan, without complying with the required approval and notification requirements set-out under the above-referenced laws and the regulations issued pursuant to them.

Kuwait

The Equity Shares have not been authorised or licensed for offering, marketing or sale in the State of Kuwait. The distribution of the Preliminary Placement Document and the offering and sale of the Equity Shares in the State of Kuwait is restricted by law unless a license is obtained from the Kuwaiti Ministry of Commerce and Industry in accordance with Law 31 of 1990.

Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the Equity Shares has been or will be registered with the Securities Commission of Malaysia ("**Commission**") for the Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this Preliminary Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services Licence; (iii) a person who acquires the Equity Shares, as principal, if the offer is on terms that the Equity Shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a

partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the Equity Shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of this Preliminary Placement Document is subject to Malaysian laws. This Preliminary Placement Document does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

Mauritius

In accordance with The Securities Act 2005 of Mauritius, no offer of the Equity Shares offered in the Issue may be made to the public in Mauritius without, amongst other things, the prior approval of the Mauritius Financial Services Commission. This Preliminary Placement Document has not been approved or registered by the Mauritius Financial Services Commission. Accordingly, this Preliminary Placement Document does not constitute a public offering. This Preliminary Placement Document is for the exclusive use of the person to whom it has been given by the Book Running Lead Managers and is a private concern between the sender and the recipient.

New Zealand

This Preliminary Placement Document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "**FMA Act**"). The Equity Shares offered in the Issue may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who: (a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act; (b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act; (c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act; (d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or (e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Republic of Korea

The Equity Shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "**FSCMA**"), and the Equity Shares have been and will be offered in Korea as a private placement under the FSCMA. None of the Equity Shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "**FETL**"). Furthermore, the purchaser of the Equity Shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Equity Shares. By the purchase of the Equity Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Equity Shares pursuant to the applicable laws and regulations of Korea.

Sultanate of Oman

This Preliminary Placement Document and the Equity Shares to which it relates may not be advertised, marketed, distributed or otherwise made available to any person in Oman without the prior consent of the Capital Market Authority ("**CMA**") and then only in accordance with any terms and conditions of such consent. In connection with the offering of Equity Shares, no prospectus has been filed with the CMA. The offering and sale of Equity Shares described in the Preliminary Placement Document will not take place inside Oman. The Preliminary Placement Document is strictly private and confidential and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof.

Qatar (excluding the Qatar Financial Centre)

The Equity Shares have not been offered, sold or delivered, and will not be offered, sold or delivered at any time, directly or indirectly, in the State of Qatar in a manner that would constitute a public offering. This Preliminary Placement Document has not been reviewed or registered with Qatari Government Authorities, whether under Law No. 25 (2002) concerning investment funds, Central Bank resolution No. 15 (1997), as amended, or any associated regulations. Therefore, this Preliminary Placement Document is strictly private and confidential, and is being issued to a limited number of sophisticated investors, and may not be reproduced or used for any other purposes, nor provided to any person other than the recipient thereof.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this Preliminary Placement Document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Preliminary Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorized financial adviser.

Qatar Financial Centre

This Preliminary Placement Document does not, and is not intended to, constitute an invitation or offer of Equity Shares from or within the Qatar Financial Centre ("**QFC**"), and accordingly should not be construed as such. This Preliminary Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This Preliminary Placement Document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licenced by or registered with any licensing authorities within the QFC.

Saudi Arabia

This Preliminary Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the board of the Saudi Arabian Capital Market Authority ("**CMA**") pursuant to resolution number 2-11-2004 dated October 4, 2004 as amended by resolution number 1-28-2008, as amended (the "**CMA Regulations**"). The CMA does not make any representation as to the accuracy or completeness of this Preliminary Placement Document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Preliminary Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorized financial adviser.

Singapore

This Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Preliminary Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Equity Shares, may not be circulated or distributed, whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001, of Singapore as modified and amended from time to time (the "**SFA**")) or (b) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

South Africa

In South Africa, the offering of the Equity Shares in the Issue will only be made by way of private placement to:

(a) selected persons falling within one of the specified categories listed in section 96(1)(a) of the South African Companies Act of 2008, as amended (the "South African Companies Act"); and

(b) selected persons, acting as principal, acquiring Equity Shares for a total acquisition cost of ZAR1,000,000 or more, as contemplated in section 96(1)(b) of the South African Companies Act,

and in each case to whom the offer of the Equity Shares will specifically be addressed, and only by whom the offer will be capable of acceptance (the "**South African Qualifying Investors**"). This Preliminary Placement Document is being made available only to such South African Qualifying Investors. The information contained in this Preliminary Placement Document does not constitute, nor form part of, any offer or invitation to sell or issue, an advertisement or any solicitation of any offer or invitation to purchase or subscribe for any Equity Shares or any other securities and is not an "offer to the public" as contemplated in the South African Companies Act. This Preliminary Placement Document does not, nor does it intend to, constitute a "registered prospectus" or an "advertisement", as contemplated by the South African Companies Act and no prospectus has been filed with the Companies and Intellectual Property Commission (the "**CIPC**") in respect of the Issue of the Equity Shares. As a result, this Preliminary Placement Document does not comply with the substance and form requirements for a prospectus set out in the South African Companies Act and the South African Companies Regulations of 2011, and has not been approved by, and/or registered with, the CIPC.

The information contained in this Preliminary Placement Document constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act of 2002, as amended (the "**FAIS Act**") and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Equity Shares or in relation to the business or future investments is appropriate to the particular investment objectives, financial situation or needs of a prospective investor, and nothing in this Preliminary Placement Document should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. Our Company is not a financial services provider licenced as such under the FAIS Act.

Switzerland

The Equity Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("**SIX**") or on any other stock exchange or regulated trading facility in Switzerland. This Preliminary Placement Document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Equity Shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Preliminary Placement Document nor any other offering or marketing material relating to the offering, our Company or the Equity Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of Equity Shares will not be supervised by, the Swiss Financial Market Supervisory Authority and the offer of Equity Shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("**CISA**"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of Equity Shares.

Taiwan

The Equity Shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Equity Shares in Taiwan.

This document does not constitute or contain an offer of securities to the general public in the UAE. No offering, marketing, promotion, advertising or distribution (together, "**Promotion**") of this document or the Equity Shares may be made to the general public in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to "Qualified Investors" (excluding "**High Net Worth Individuals**") (as such terms are defined in the Promotion and Introduction

Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE. None of the SCA, the UAE Central Bank, the UAE Ministry of Economy or any other regulatory authority in the UAE has reviewed or approved the contents of this document nor does any such entity accept any liability for the contents of this document.

Dubai International Financial Centre

This Preliminary Placement Document relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority ("**DFSA**"). This Preliminary Placement Document is intended for distribution only to persons of a type specified in the Markets Rules 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for this Preliminary Placement Document. The securities to which this Preliminary Placement Document relates may be illiquid and/ or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Preliminary Placement Document you should consult an authorized financial advisor. In relation to its use in the DIFC, this Preliminary Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

United Kingdom

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Equity Shares at any time:

(c) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(d) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Managers for any such offer; or

(e) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Equity Shares shall require our Company or the Book Running Lead Managers to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

This Preliminary Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as "relevant persons"). This Preliminary Placement Document is directed only at relevant persons. Other persons should not act on this Preliminary Placement Document or any of its contents. This Preliminary Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

United States

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S. To help ensure compliance with Regulation S, each purchaser of Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgements and agreements set forth in "*Transfer Restrictions*" on page 470. The Equity Shares purchased in the Issue are transferable only in accordance with the restrictions described in "*Transfer Restrictions*" on page 470.

Until the expiry of 40 days after the commencement of the Issue, an offer or sale of Equity Shares offered in the Issue within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the U.S. Securities Act.

Other Jurisdictions

The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Preliminary Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

TRANSFER RESTRICTIONS

Due to the following restrictions, investors are advised to consult legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of Equity Shares.

Pursuant to Chapter VI of the SEBI ICDR Regulations, any resale of Equity Shares Allotted in the Issue, except on the Stock Exchanges, is not permitted for a period of one year from the date of Allotment. Investors are advised to consult legal counsels prior to making any resale, pledge or transfer of our Equity Shares. In addition to the above, Allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them.

The Equity Shares Allotted in the Issue are also subject to the resale restrictions in "*Selling Restrictions*" on page 461 and the following resale restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

By accepting delivery of this Preliminary Placement Document, submitting a bid to purchase the Equity Shares and/or accepting delivery of Equity Shares, you will be deemed to have represented and agreed as follows:

Purchaser Representations and Transfer Restrictions for Purchasers within the United States

If you purchase the Equity Shares offered in the United States, by accepting delivery of this Preliminary Placement Document, submitting a bid to purchase Equity Shares and/or accepting delivery of any Equity Shares, you will be deemed to have represented and agreed to us and the Book Running Lead Manager as follows:

- You (A) are a U.S. QIB, (B) are aware that the sale of the Equity Shares to you is being made pursuant to an available exemption from the registration requirements of the U.S. Securities Act and (C) are acquiring such Equity Shares for your own account or for the account of a U.S. QIB;

- You understand and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer understands and agrees) that the Equity Shares are being offered in a transaction not involving any public offering within the meaning of the U.S. Securities Act, have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be reoffered, resold, pledged or otherwise transferred except (A)(i) in the United States to a person who is a U.S. QIB, (ii) in an "offshore transaction", as defined in, and in reliance upon, Regulation S, (iii) pursuant to and in accordance with Rule 144 under the U.S. Securities Act (if available), (iv) pursuant to another available exemption from the registration requirements of the U.S. Securities Act, or (v) pursuant to an effective registration statement under the U.S. Securities Act, and (B) in each case, in accordance with all applicable securities laws of the states of the United States and any other jurisdiction in which such offers or sales are made;

- You agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer agrees) that neither you/it, nor any of your/its affiliates, nor any person acting on your/its behalf, will make any "general solicitation" or "general advertising" within the meaning of Regulation D under the U.S. Securities Act,, with respect to the Equity Shares. You/ it acknowledge and agree that you/it is not purchasing any Equity Shares as a result of any "general solicitation" or "general advertising";

- The Equity Shares offered and sold in the United States are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for re-sales of any Equity Shares;

- You will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

- You will base your investment decision on a copy of this Preliminary Placement Document. You acknowledge that neither our Company nor any of its affiliates nor any other person (including the Book Running Lead Manager) or any of their respective affiliates has made or will make any representations, express or implied, to you with respect to our Company, the Issue, the Equity Shares or the accuracy, completeness or adequacy of any financial or other information concerning our Company, the Issue or the Equity Shares, other than (in the case of our Company only) the information contained in this Preliminary Placement Document, as it may be supplemented;

- You are a sophisticated investor and possess such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in similar jurisdictions. You and any accounts for you are subscribing to the Equity Shares for (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Company or any of the Book Running Lead Manager or any of their respective shareholders, directors, officers, employees, counsels, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in its or their circumstances, financial or otherwise, which may cause or require any sale or distribution by it or them of all or any part of the Equity Shares. You acknowledge that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. You are seeking to subscribe to the Equity Shares in this Issue for your own investment and not with a view to distribution;

- You will notify any transferee to whom you subsequently offer, sell, pledge or otherwise transfer and the executing broker and any other agent involved in any resale of the Equity Shares of the foregoing restrictions applicable to the Equity Shares and instruct such transferee, broker or agent to abide by such restrictions;

- You acknowledge that if at any time its representations cease to be true, you agree to resell the Equity Shares at our Company's request;

- You have been provided access to this Preliminary Placement Document which you have read in its entirety; and

- You acknowledge and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer acknowledges and agrees) that we, the Book Running Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agree that, if any of such acknowledgements, representations or agreements are no longer accurate you will promptly notify us; and if you are acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, you represent that you have sole investment discretion with respect to each such account and that you have full power to make, and do make, the foregoing acknowledgements, representations and agreements on behalf of each such account.

Any offer, resale, pledge or other transfer of the Equity Shares made other than in compliance with the above-stated restrictions will not be recognized by us.

Purchaser Representations and Transfer Restrictions for Purchasers outside the United States

By accepting delivery of this Preliminary Placement Document, submitting a bid to purchase Equity Shares and/or accepting delivery of Equity Shares, you will be deemed to have represented and agreed as follows:

(i) You will comply with all laws, regulations and restrictions (including the selling restrictions contained in this Preliminary Placement Document) which may be applicable in your jurisdiction and you have obtained or will obtain any consent, approval or authorization required for you to purchase and accept delivery of Equity Shares, and you acknowledge and agree that none of us or the Book Running Lead Manager and their respective affiliates shall have any responsibility in this regard;

(ii) You certify that you are, or at the time the Equity Shares are purchased will be, (a) the beneficial owner of the Equity Shares, you are located outside the United States of America (within the meaning of Regulation S), and you have not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States; or (b) you are a broker-dealer acting on behalf of a customer and you customer has confirmed to you that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, (ii) such customer is located outside the United States of America (within the meaning of Regulation S), and (iii) such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States;

(iii) You understand and agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer understands and agrees) that the Equity Shares are being offered in a transaction not involving any public offering within the meaning of the U.S. Securities Act, have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be reoffered, resold, pledged or otherwise transferred except (A)(i) in the United States to a U.S. QIB in a transaction meeting the requirements of Rule 144A, (ii) in an "offshore transaction" as defined in, and in compliance with Rule 903 or Rule 904 of Regulation S, as applicable, (iii) pursuant to another available exemption from the registration requirements of the U.S. Securities Act, or (iv) pursuant to an effective registration statement under the U.S. Securities Act, and (B) in each case, in accordance with all applicable securities laws of the states of the United States and any other jurisdiction;

(iv) You agree (or if you are a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer agrees) that neither you, nor any of your affiliates, nor any person acting on your behalf, will make any "directed selling efforts" as defined in Regulation S. You acknowledge and agree that you are not purchasing any Equity Shares as a result of any directed selling efforts.

(v) You will base your investment decision on a copy of this Preliminary Placement Document. You acknowledge that neither our Company nor any of its affiliates nor any other person (including the Book Running Lead Manager) or any of their respective affiliates has made or will make any representations, express or implied, to you with respect to our Company, the Issue, the Equity Shares or the accuracy, completeness or adequacy of any financial or other information concerning our Company, the Issue or the Equity Shares, other than (in the case of our Company) the information contained in this Preliminary Placement Document, as may be supplemented.

(vi) You acknowledge and agree (or if you're a broker-dealer acting on behalf of a customer, your customer has confirmed to you that such customer acknowledges and agrees) that we, the Book Running Lead Manager, your affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements and agree that, if any of such acknowledgments, representations or agreements are no longer accurate, you will promptly notify us; and if you are acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, you represent that you have sole investment discretion with respect to each such account and that you have full power to make, and do make, the foregoing acknowledgments, representations and agreements on behalf of each such account.

(vii) Any offer, resale, pledge or other transfer of the Equity Shares made other than in compliance with the above-stated restrictions will not be recognized by us.

AVAILABLE INFORMATION

Our Company has agreed that, for so long as any Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, our Company will, during any period in which it is neither subject to Sections 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, promptly furnish or cause to be furnished to the BRLMs and, upon request of any holder or beneficial owner of such restricted securities or any prospective purchaser of such restricted securities designated by such holder or beneficial owner, to such holder, beneficial owner or prospective purchaser, the information required

to be delivered to holders, beneficial owners and prospective purchasers of the Equity Shares being issued by Rule 144A(d)(4) under the U.S. Securities Act, subject to compliance with the applicable provisions of Indian law.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Book Running Lead Managers or any of their respective affiliates or advisors.

The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 (the "**SCRA**") and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "**SCR (SECC) Regulations**"), which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum net worth requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investor, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, the BSE was incorporated as a company under the Companies Act, 1956 on August 8, 2005. BSE was listed on NSE with effect from February 3, 2017.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996.

Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013 the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-

laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

Further, the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 govern the voluntary and compulsory delisting of equity shares from the stock exchanges. Following a compulsory delisting of equity shares, a company, its whole-time directors, its promoter, person(s) responsible for ensuring compliance with the securities laws and the companies promoted by any of them cannot directly or indirectly access the securities market or seek listing of any equity shares for a period of 10 years from the date of such delisting. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Disclosures under the Companies Act and SEBI Listing Regulations

Under the Companies Act, a public offering of securities in India must be made by means of a prospectus, which must contain information specified in the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the SEBI ICDR Regulations. The prospectus must be filed with the relevant registrar of companies having jurisdiction over the place where a company's registered office is situated. A company's directors and promoter shall be subject to civil and criminal liability for misrepresentation in a prospectus. The Companies Act also sets forth procedures for the acceptance of subscriptions and payment of commission rates for the sale of securities. Pursuant to the provisions of the SEBI Act, SEBI has issued detailed guidelines concerning disclosures by public companies and to further investor protection. The SEBI ICDR Regulations permit companies to price their domestic issues of securities in consultation with the lead merchant banker or through the book building process.

Public listed companies are required to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

Minimum Level of Public Shareholding

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25%. Where the public shareholding in a listed company falls below 25.00% at any time, such company shall bring the public shareholding to 25 % within a maximum period of 12 months from the date of such fall. However, every public sector listed company whose public shareholding falls below 25 % at any time on or after the commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of three years from the date of such fall, in the manner specified by SEBI. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the abovementioned requirements. Further, pursuant to the budget for financial year 2020, SEBI has been authorized to consider increasing the minimum public shareholding requirement to 35%. Our Company is in compliance with this minimum public shareholding requirement.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The stock exchanges on a daily basis translate the circuit braker limits based on previous day' closing level of index These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Settlement

The stock exchanges in India operate on a trading day plus one, or T+1 rolling settlement system. At the end of the T+1 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers transfer and receive payment for securities. For example, trades executed on a Monday would typically be settled on a Tuesday. Additionally, SEBI has introduced the beta version of T+0 rolling settlement cycle on optional basis in addition to existing T+1 settlement cycle for a limited set of 25 scrips and with a limited number of brokers.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation fully automated BSE on-line trading platform ("**BOLT+**") through which all trades on the equity cash, equity derivatives and currency segments of the exchange are executed.

NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the SEBI Takeover Regulations, which provides for specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The SEBI Takeover Regulations prescribes certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

SEBI Insider Trading Regulations

The SEBI Insider Trading Regulations, *inter alia*, impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any unpublished price sensitive information ("**UPSI**") relating to such companies and securities to any person including other insiders; and (ii) no person shall procure from or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations define the term "unpublished price sensitive information" to mean any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon

becoming generally available, is likely to materially affect the price of its securities and ordinarily includes but not restricted to information relating to the following: (a) financial results; (b) dividends; (c) change in capital structure; (d) mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business, award or termination of order/contracts not in the normal course of business and such other transactions; (e) changes in key managerial personnel, other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor; (f) change in rating(s), other than ESG rating(s); (g) fund raising proposed to be undertaken; (h) agreements, by whatever name called, which may impact the management or control of the company; (i) fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad; (j) resolution plan/ restructuring or one time settlement in relation to loans/borrowings from banks/financial institutions; (k) admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016; (l) initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report; (m) action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company; (n) outcome of any litigation(s) or dispute(s) which may have an impact on the company; (o) giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business; (p) granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals. Further, in terms of the SEBI Insider Trading Regulations, "generally available information" is defined as information that is accessible to the public on a non-discriminatory basis and shall not include unverified event or information reported in print or electronic media. An "insider" means any person who is i) a connected person; or ii) in possession of or having access to unpublished price sensitive information. The term "connected person" means any person who is or has been during the six months prior to the concerned act, associated with a company, in any capacity, directly or indirectly, including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position, including a professional or business relationship, whether temporary or permanent, with the company, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations.**Buy-back**

A company may buy-back its shares subject to compliance with the requirements of Section 68 of the Companies Act, 2013, as amended and the SEBI (Buy-back of Securities) Regulations 2018, as amended. Under Section 68 of the Companies Act, 2013, as amended, a company may buy-back its shares out of its free reserves or securities premium account or the proceeds of the issue of any shares or other specified securities, other than proceeds of an earlier issue of the same kind of shares or same kind of other specified securities.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of

an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of SEBI.

DESCRIPTION OF THE EQUITY SHARES

The following is information relating to the Equity Shares including a brief summary of the Memorandum and Articles of Association, and the relevant sections of the Companies Act, 2013. Prospective investors are urged to read the Memorandum and Articles of Association carefully, and consult with their advisers, as the Memorandum and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Share Capital

Our Company's authorized Share Capital is ₹ 7,000,000,000 divided into 1,400,000,000 Equity Shares of ₹ 5 each. As on the date of this Preliminary Placement Document, the issued, subscribed and paid up share capital of our Company is ₹ 6,003,000,000 divided into 1,200,600,000 Equity Shares of face value ₹ 5 each. For further details please see "*Capital Structure*" beginning on page 93.

Dividends

Under Indian law, a company pays final dividend upon a recommendation by its board of directors and approval by a majority of the shareholders at the AGM of shareholders held each financial year. The shareholders have the right to decrease but not increase the dividend amount recommended by the board of directors. Dividends are generally declared as a percentage of par value (on per share basis) and distributed and paid to shareholders. The Companies Act provides that shares of the same class of a company must receive equal dividend treatment. Subject to certain conditions specified under Section 123 of the Companies Act, 2013 and the rules made thereunder no dividend can be declared or paid by a company for any financial year except (a) out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act, 2013; or (b) out of the profits of the company for any previous financial year(s) arrived at in accordance with the Companies Act, 2013 and remaining undistributed; or (c) out of both; or (d) out of money provided by the Central Government or a state Government for payment of dividend by our Company in pursuance of a guarantee given by that Government.

According to the Articles of Association, our Company in a general meeting may declare dividends, but no dividend shall exceed the amount recommended by our Board. Subject to the provisions of the Companies Act, 2013, our Board may from time to time pay to the shareholders such interim dividends as appear to it to be justified by the profits of our Company.

Our Board may declare dividends for a financial year out of the profits of our Company for that year arrived at after providing for depreciation in accordance with the provisions of Section 123 (2) of the Companies Act, or out of the profits of our Company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that sub-section and remaining undistributed, or out of both. Further, no dividend shall be declared or paid by our Company from its reserves other than free reserves and our Company shall declare dividend unless carried over previous losses and depreciation not provided in previous year or years are set off against profit of our company for the current year.

Under the Companies Act, dividends must be paid within 30 days from the date of its declaration. Where our Company has declared dividend, but which has not been paid or claimed within 30 days from the date of declaration, our Company shall, within seven days from the date of expiry of the said period of 30 days, transfer the total amount of the unpaid or unclaimed dividend to the unpaid dividend account. All Equity Shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by our Company in the name of Investor Education and Protection Fund, established by the Central Government.

Capitalisation of Reserves and Issue of Bonus Shares

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act, 2013 permits the board of directors, if so approved by the shareholders in a general meeting, to capitalise its profits or reserves for the purpose of issuing fully paid-up bonus shares, which are similar to stock dividend. The Companies Act, 2013 permits the issue of fully paid up bonus shares from its free reserves, securities premium account or capital redemption reserve account, provided that bonus shares shall not be issued by capitalising reserves created by revaluation of assets.

Pre-emptive Rights and Alteration of Share Capital

A company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution. Subject to the provisions of Section 61, the company may, by ordinary resolution, in general meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may: (a) increase its share capital by such amount as it thinks expedient; (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares, provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the National Company Law Tribunal on an application made in the prescribed manner; (c) convert all or any of its fully paid up shares into stock and reconvert that stock into fully paid up shares of any denomination; (d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and (e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

General Meetings of shareholders

All general meetings other than annual general meeting shall be called extraordinary general meeting. The Board may, whenever it thinks fit, or at the request of the shareholders, call an extraordinary general meeting. Written notice or notice via electronic mode means setting out the business to be transacted at the extraordinary general meeting must be given at least 21 days prior to the date set for such general meeting to the shareholders. Shorter notice is permitted if complied with the relevant provisions of the Companies Act, 2013. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, (a) on a show of hands, every member present in person shall have one vote; and (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company. A member may exercise his vote at a meeting by electronic means in accordance with section 108 of the Companies Act and shall vote only once. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by means of e-voting, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

Directors

The Articles of Association provide that the minimum and maximum number of Directors of the Company shall be as per the Companies Act, 2013 and SEBI Listing Regulations. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and provisions of SEBI Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Independent Director, as may be prescribed by law from time to time.

The remuneration payable to each Director for every meeting of the Board or committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to the first proviso to Section 197 of the Companies Act, 2013.

Transfer and Transmission of Shares

Equity Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are subject to STT (levied on and collected by the stock exchanges on which such equity shares are sold), however, are exempt from stamp duty. Our Company has entered into an agreement for such depository services with NSDL and CDSL. SEBI requires that the shares for trading and settlement purposes be in book-entry form for all investors, except for

transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange.

Pursuant to the SEBI Listing Regulations, except in case of transmission or transposition of Equity Shares, requests for effecting transfer of Equity Shares shall not be processed unless the Equity Shares are held in dematerialized form with a depository.

The Equity Shares shall be freely transferable, subject to applicable laws.

The executor or administrator of a deceased member (not being one of the several joint-holders) shall be the only person recognized in the name of such member, and in case of the death of anyone or more of the joint holders of any registered Equity Share, the survivor shall be the only person recognized by our Company as having any title to or interest in such Equity Share. However, the above stated shall not release the estate of a deceased joint holder from any liability in respect of any Equity Share which had been jointly held by him with other persons.

If any person becoming entitled to Equity Shares in consequence of the death of a Shareholder, elects to be registered as holder of the equity share himself, he shall deliver or send to our Company, a notice signed by him stating that he so elects. If the said person elects to transfer the Equity Shares, he shall testify his election by executing an instrument of transfer of the Equity Shares. Our Board shall, in either case, have the same right to decline or suspend registration as it would have had if the deceased, lunatic, insolvent, bankrupt shareholder had transferred the Equity Share(s) before his death, lunacy, bankruptcy or insolvency.

Any person becoming entitled to Equity Shares by reason of the death, lunacy, bankruptcy or insolvency of a Shareholder shall, subject to Section 123 of the Companies Act, be entitled to the same dividends and other advantages as he would be entitled to if he were the registered holder of the Equity Shares.

Buy-back

Our Company may buy back its own Equity Shares or other specified securities subject to the provisions of the Companies Act, 2013 and any related SEBI guidelines issued in connection therewith.

Winding Up

Our Articles of Association provide that on winding up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required under Companies Act, 2013 divide amongst the shareholders, in specie or kind the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

TAXATION

The Board of Directors

Biocon Limited

20th K.M, Hosur Road,
Electronic City P.O,
Bengaluru – 5600100

Date: June 16, 2025

Subject: Statement of possible special tax benefits (the "Statement") available to Biocon Limited (the "Company"), its shareholders and its material subsidiaries audited by us, prepared in connection with the proposed qualified institutions placement of equity shares of face value of INR 5 each (the "Equity Shares") of the Company (hereinafter referred to as the "Proposed Issue")

This report is issued in accordance with the Engagement Letter dated June 12, 2025

We hereby report that the enclosed Annexure II prepared by the Company, initialed by us for identification purpose, states the possible special tax benefits available to the Company , its shareholders and its material subsidiaries audited by us ("**Material Subsidiaries**"), which are defined in Annexure I (**List of Material Subsidiaries Audited by Us and Considered As Part Of The Statement**), under direct and indirect taxes (together **the "Tax Laws**"), presently in force in India as on the signing date, which are defined in Annexure III **(List of Direct and Indirect Tax Laws ('Tax Laws'))** prepared by the Company, initialed by us for identification purpose. These possible special tax benefits are dependent on the Company, its shareholders and its Material Subsidiaries fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company, its shareholders and its Material Subsidiaries to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company and its Material Subsidiaries may face in the future and accordingly, the Company, its shareholders and its Material Subsidiaries may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure II cover the possible special tax benefits available to the Company, its shareholders and its Material Subsidiaries and do not cover any general tax benefits available to the Company, its shareholders and its Material Subsidiaries. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Proposed Issue particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ("**Guidance Note**") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. Our scope of work did not involve performance of any audit test in this context of our examination. Accordingly, we do not express an audit opinion.

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

We do not express any opinion or provide any assurance as to whether:

i) the Company, its shareholders and its Material Subsidiaries will continue to obtain these possible special tax benefits in future; or

ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company and its Material Subsidiaries, and on the basis of our understanding of the business activities and operations of the Company and its Material Subsidiaries.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company or Material Subsidiaries for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company or Material Subsidiaries and any other person in respect of this report, except as per applicable law.

We hereby give consent to include this report in the Preliminary Placement Document and Placement Document in connection with the Proposed Issue, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

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

Sanjay Sharma
Partner
Membership No: 063980
UDIN: 25063980BMONVZ9750

Place: Bengaluru
Date: June 16, 2025

ANNEXURE I

LIST OF MATERIAL SUBSIDIARIES AUDITED BY US AND CONSIDERED AS PART OF THE STATEMENT (Note 1)

1. Biocon Biologics Limited ('BBL')
2. Syngene International Limited ('SIL')

Note 1: Material subsidiaries identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, includes a subsidiary whose turnover or net worth in the immediately preceding year (i.e. 31 March 2025) exceeds 10% of the consolidated turnover or consolidated net worth respectively, of the Company, its employee welfare trusts, its subsidiaries, its associate and its joint venture in the immediate preceding year.

ANNEXURE II

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO BIOCON LIMITED (THE "COMPANY"), ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARIES UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES ("TAX LAWS")

Outlined below are the Possible Special Tax Benefits available to the Company, its shareholders and its Material Subsidiaries under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company, its shareholders and its Material Subsidiaries fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company, its shareholders and its Material Subsidiaries to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfill.

UNDER THE TAX LAWS

A. *Possible Special tax benefits available to the Company*

Direct Tax Laws:

The statement outlined below is based on the provisions of the Income-tax Act, 1961 ('the Act') presently in force in India as amended by the Finance Act, 2025.

a. Lower corporate tax rate under section 115BAA of the Act

- The section 115BAA of the Act provides an option to a domestic company to pay corporate tax at a reduced rate of 22% (plus applicable surcharge and education cess (Surcharge at 10% on the tax liability and further, enhanced by an education cess at 4% of the total tax liability and surcharge)
- In case the Company opts for the concessional income tax rate as prescribed under section 115BAA of the Act, it will not be allowed to claim any of the following deductions exemptions:
  - Deduction under the provisions of section 10AA of the Act (deduction for units in Special Economic Zone).
  - Deduction under clause (iia) of sub-section (1) of section 32 of the Act (Additional depreciation).
  - Deduction under section 32AD or section 33AB or section 33ABA of the Act (Investment allowance in backward areas, Investment deposit account, site restoration fund).
  - Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 of the Act (Expenditure on scientific research).
  - Deduction under section 35AD or section 35CCC of the Act (Deduction for specified business, agricultural extension project).
  - Deduction under section 35CCD of the Act (Expenditure on skill development).
  - Deduction under any provisions of Chapter VI-A other than the deductions under section 80JJAA of the Act (Deduction in respect of employment of new employees) and section 80M of the Act (Deduction in respect of certain inter-corporate dividends).
  - No set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above.
- The provisions of section 115JB of the Act regarding Minimum Alternate Tax (MAT) are not applicable if the Company opts for the concessional income tax rate as prescribed under section 115BAA of the Act. Further, the Company will not be entitled to claim tax credit relating to MAT.
- The Company has opted for the concessional rate of tax in the return of income filed for the previous year ended 31st March 2022 relevant to assessment year 2022-23 and onwards, by furnishing the declaration in Form 10-IC.

b. Deduction under section 80JJAA of the Act:

- The Company is entitled to claim a deduction of an amount equal to thirty per cent of additional employee cost incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided under section 80JJAA of the Act, subject to the fulfilment of prescribed conditions therein. The deduction is available even where the Company has opted for taxation under the concessional regime of section 115BAA of the Act.

- The Company is currently claiming the said deduction.

c. Deduction under section 80M of the Act:

- Section 80M of the Act inter-alia provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, then such domestic company (subject to the provisions of this section) shall be allowed, in computing the total income, a deduction of an amount equal to the dividend received from such other domestic company, foreign company or business trust, to the extent such dividend does not exceed the amount of dividend distributed by it on or before one month prior to the due date for furnishing the return of income under sub-section (1) of section 139 of the Act.
- The Company is currently claiming the said deduction and the benefit continues to be available under the concessional tax regime of section 115BAA of the Act.

B. <u>Indirect Tax Laws:</u>

1. <u>Special Indirect tax benefits available to the Company:</u>

a. Benefits under the Special Economic Zone Act, 2005 [read with Section 26(1) of the SEZ Act]:

The Company is operating as SEZ Developer and SEZ Unit in the Biocon Special Economic Zone and availing the following exemptions, concessions, and benefits available to SEZ units/ Developers subject to fulfilment of procedures and conditions laid down thereunder:

- Exemption from import duties and GST on procurement of goods and services used for authorized operations within the SEZ. This includes goods/services sourced both domestically and from overseas suppliers.
- Exemption from Customs duty and GST on goods and services exported out of India by SEZ units, treating them as zero-rated supplies under GST law.
- GST refunds and exemptions applicable on procurement of goods and services by SEZ Units from the Domestic Tariff Area (DTA).

b. Benefits under the Customs Act, 1962 and Foreign Trade Policy 2023 (read with Rule 6 of the Customs & Central Excise Drawback Rules, 2017 and Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 read with Para 1.02 of the Foreign Trade Policy 2015–2020 and the provisions of the Foreign Trade Policy 2023:

The Company is presently availing the following duty drawback benefits on the duties paid on inputs used in the manufacture of export goods:

- All Industry Rate (AIR) of Duty Drawback – The Company is availing drawback at the All-Industry Rate (AIR) of 1.20% on the FOB value of exports where the rate or amount of drawback has not been specifically determined for the goods exported.
- Brand Rate of Duty Drawback – In those cases where the All-Industry Rate of duty drawback is less than 80% of the actual duty paid on imported inputs, the Company is availing the Brand Rate of duty drawback.

c. Benefits under the Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme:

The Company is availing RoDTEP benefits at the notified rate of 0.70% of the FOB value of goods exported through the Domestic Tariff Area (DTA), in accordance with the applicable guidelines and procedures prescribed under the scheme.

d. Benefits under the Export Promotion Capital Goods (EPCG) Scheme notified under Chapter 5 of the Foreign Trade Policy:

The Company is availing the benefit of duty-free import of eligible capital goods required for export-oriented production without payment of import duties and taxes. The said benefit is subject to an export obligation equal to six times of duty saved, to be fulfilled within 6 years from the date of issue of EPCG authorization.

e. Benefits under the Central Goods and Services Tax Act, 2017 (CGST Act), respective State Goods and Services Tax Acts, 2017 (SGST Act), and the Integrated Goods and Services Tax Act, 2017 (IGST Act):

The Company is availing the following benefits in respect of export of goods and services in terms of Section 16 of IGST Act, 2017 and Section 54 of the CGST Act, 2017 read with relevant rules made thereunder subject to the fulfillment of the conditions prescribed under the relevant legislations:

- **Rule 89 – Refund of Unutilized Input Tax Credit (ITC) in following cases:**
  - In cases where goods or services were exported without payment of tax under a valid Letter of Undertaking (LUT)
  - Refund of GST paid on goods or services supplied from the Domestic Tariff Area (DTA) to units located in Special Economic Zones (SEZs)

- **Rule 96 – Refund of Integrated Tax Paid on Exports** of goods or services exported out of India, where such exports were made with payment of tax.

f. The Company is availing the benefit of concessional rate of GST @ 0.1% in terms of Notification No. 40/2017 -Central Tax (Rate) dated 23.10.2017 purchase of goods by Merchant Exporters from a registered suppler for exports.

2. <u>Possible Special tax benefits available to Shareholders</u>

There are no special indirect tax benefits available to the shareholders of the Company under Indirect tax regulations.

3. <u>Possible Special tax benefits available to Material Subsidiaries</u>

A. <u>Biocon Biologics Limited</u>

I. Benefits under the Special Economic Zone Act, 2005 (read with Section 26(1) of the SEZ Act):

The Company is operating as SEZ Developer and SEZ Unit in the Biocon Special Economic Zone and availing the following exemptions, concessions, and benefits available to SEZ units/ Developers subject to fulfilment of procedures and conditions laid down thereunder:

- **Exemption from import duties and GST** on procurement of goods and services used for authorized operations within the SEZ. This includes goods/services sourced both domestically and from overseas suppliers.
- **Exemption from Customs duty and GST** on goods and services exported out of India by SEZ units, treating them as zero-rated supplies under GST law.
- **GST refunds and exemptions** applicable on procurement of goods and services by SEZ Units from the Domestic Tariff Area (DTA).
- **Brand rate Drawback benefits** available on goods supplied from the DTA to SEZ Units, subject to compliance with applicable rules and procedures under the relevant Customs and GST framework.

II. Benefits under the Customs Act, 1962 read with Customs & Central Excise Drawback Rules, 2017, Foreign Trade (Development & Regulation) Act, 1992 and the provisions of the Foreign Trade Policy:

The Company is presently availing the following duty drawback benefits of duties paid on inputs used in the manufacture of export goods in accordance with Section 5 of the Foreign Trade (Development & Regulation)

Act, 1992, read with Para 1.02 of the Foreign Trade Policy 2015–2020 and the provisions of the Foreign Trade Policy 2023:

- All Industry Rate (AIR) of Duty Drawback – The Company is availing drawback at the All-Industry Rate (AIR) of 1.20% on the FOB value of exports where the rate or amount of drawback has not been specifically determined for the goods exported.
- Brand Rate of Duty Drawback – In those cases where the All-Industry Rate of duty drawback is less than 80% of the actual duty paid on imported inputs, the Company is availing the Brand Rate of duty drawback.

III. Benefits under the Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme

The Company is availing RoDTEP benefits at the notified rate of 0.70% of the FOB value of goods exported through the Domestic Tariff Area (DTA), in accordance with the applicable guidelines and procedures prescribed under the scheme.

IV. Benefits under the Export Promotion Capital Goods (EPCG) Scheme notified under Chapter 5 of the Foreign Trade Policy

The Company is availing the benefit of duty-free import of eligible capital goods required for export-oriented production without payment of import duties and taxes. The said benefit is subject to an export obligation equal to six times of duty saved, to be fulfilled within 6 years from the date of issue of EPCG authorization.

V. Benefits under DSIR Scheme in terms of Customs Notification No. 50/96 dated 23 July 1996:

The Company is availing the benefit of concessional rate of Basic Customs Duty (BCD) @ 5% on import of eligible components, raw materials, and equipment specifically required for research and development activities available to entities recognized by the Department of Scientific and Industrial Research (DSIR) in terms of Customs Notification No. 50/96 dated 23 July 1996.

VI. Customs duty benefits for import of Monocomponent Insulin for manufacturing of Insulin formulation:

The Company is availing the following benefits on import of Monocomponent Insulin used in the manufacture of Insulin formulations:

- Concessional rate of Customs duty @ 5% in terms of Customs Notification 50/2017 – S.No.167(D) by following the procedures laid down under Import of Goods at Concessional Rate of duty (IGCR) prescribed vide Notification no. 74/2022 – Customs (N.T) dated 9th September 2022.

- Concessional rate of IGST @ 5% in terms of Sl.No. 180 of IGST Notification No. 01/2017 IGST (Rate) dated 28th June 2017.

VII. Benefits under the Central Goods and Services Tax Act, 2017 (CGST Act), respective State Goods and Services Tax Acts, 2017 (SGST Act), and the Integrated Goods and Services Tax Act, 2017 (IGST Act):

The Company is availing the following benefits in respect of export of goods and services in terms of Section 16 of IGST Act, 2017 and Section 54 of the CGST Act, 2017 read with relevant rules made thereunder subject to the fulfilment of the conditions prescribed under the relevant legislations:

- **Rule 89 – Refund of Unutilized Input Tax Credit (ITC) in following cases:**

  - In cases where goods or services were exported without payment of tax under a valid Letter of Undertaking (LUT)
  - In cases where the rate of tax on inputs is higher than the rate of tax on output supplies i.e., credit accumulated on account of inverted duty structure
  - Refund of GST paid on goods or services supplied from the Domestic Tariff Area (DTA) to units located in Special Economic Zones (SEZs)

- **Rule 96 – Refund of Integrated Tax Paid on Exports** of goods or services exported out of India, where such exports were made with payment of tax.

B. Syngene International Limited

I. Benefits under the Special Economic Zone Act, 2005 (read with Section 26(1) of the SEZ Act):

The Company is operating as SEZ Developer and SEZ Unit in the Biocon Special Economic Zone and availing the following exemptions, concessions, and benefits available to SEZ units/ Developers subject to fulfilment of procedures and conditions laid down thereunder:

- **Exemption from import duties and GST** on procurement of goods and services used for authorized operations within the SEZ. This includes goods/services sourced both domestically and from overseas suppliers.
- **Exemption from Customs duty and GST** on goods and services exported out of India by SEZ units, treating them as zero-rated supplies under GST law.
- **GST refunds and exemptions** applicable on procurement of goods and services by SEZ Units from the Domestic Tariff Area (DTA).

II. Benefits under DSIR Scheme in terms of Customs Notification No. 50/96 dated 23 July 1996:

The Company is availing the benefit of concessional rate of Basic Customs Duty (BCD) @ 5% on import of eligible components, raw materials, and equipment specifically required for research and development activities available to entities recognized by the Department of Scientific and Industrial Research (DSIR) in terms of Customs Notification No. 50/96 dated 23 July 1996.

III. Benefits under the Central Goods and Services Tax Act, 2017 (CGST Act), respective State Goods and Services Tax Acts, 2017 (SGST Act), and the Integrated Goods and Services Tax Act, 2017 (IGST Act):

The Company is availing the following benefits in respect of export of goods and services in terms of Section 16 of IGST Act, 2017 and Section 54 of the CGST Act, 2017 read with relevant rules made thereunder subject to the fulfilment of the conditions prescribed under the relevant legislations:

- **Rule 89 – Refund of Unutilized Input Tax Credit (ITC) in following cases:**
  - In cases where goods or services were exported without payment of tax under a valid Letter of Undertaking (LUT)
  - Refund of GST paid on goods or services supplied from the Domestic Tariff Area (DTA) to units located in Special Economic Zones (SEZs)
- **Rule 96 – Refund of Integrated Tax Paid on Exports** of goods or services exported out of India, where such exports were made with payment of tax.

IV. Benefits for the unit registered as the Export Oriented Unit (EOU) Scheme under Chapter 6 of the Foreign Trade Policy 2023:

The Company is availing the benefit of exemption from payment of customs duty on the import of goods required for the manufacture of export products or for rendering of export-related services, as provided under Notification No. 52/2003-Customs.

V. Benefits under the State Policy for Special Economic Zones –2009 - (Karnataka Government Order No. CI 252 SPI 2001 dated 25.02.2002):

The Company is availing the benefit of exemption from payment of electricity duty on power that is either purchased or self-generated, provided it is used exclusively for authorized operations of the SEZ unit.

Notes:

1. Certain tax benefits outlined in this statement are available to the Company and its material subsidiaries, while some apply only to the Company or to specific material subsidiaries, subject to their respective eligibility and compliance with the conditions prescribed under applicable tax laws. The actual availability of these benefits depends on the specific facts, operations, registrations, and compliance status of each entity under relevant provisions of the Income-tax Act, GST laws, Customs laws, Foreign Trade Policy, and other applicable regulations.
2. We have not considered general tax benefits available to the Company or its shareholders. The above Statement covers only certain special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
3. This statement does not discuss any tax consequences in the hands of the Company on account of holding shares, securities, interest, outside India.

For Biocon Limited

Mukesh Kamath
Interim Chief Financial Officer
Place : Bengaluru
Date : June 16, 2025

ANNEXURE III
LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

Sr. No:	Details of Tax Laws
	Direct Tax Laws
1.	Income-tax Act, 1961 and Income-tax Rules, 1962
	Indirect Tax Laws
2.	Central Goods and Services Tax Act, 2017, as amended and read with respective circulars and notifications made thereunder
3.	Integrated Goods and Services Tax Act, 2017, as amended and read with respective circulars and notifications made thereunder
4.	State Goods and Services Tax Act, 2017, as amended and read with respective circulars and notifications made thereunder
5.	Union Territory Goods and Services Tax Act, 2017
6.	Customs Act, 1962 and Customs Tariff Act, 1975 read with respective rules, circulars and notifications made thereunder
7.	Foreign Trade Policy (FTP), 2023 read with Handbook of Procedures

For Biocon Limited

Mukesh Kamath
Interim Chief Financial Officer
Place: Bengaluru
Date: June 16, 2025

*** **End of Statement of possible special tax benefits** ***

CERTAIN TAX CONSIDERATIONS PERTAINING TO THE FOREIGN MATERIAL SUBSIDIARIES

The Company has identified the following subsidiaries as material, based on their contribution of at least 10% to the consolidated turnover or net worth –

Sl. No	**Name of the Material Subsidiary**	**Indian / Foreign subsidiary**
1	Biocon Biologics Limited	Indian
2	Syngene International Limited	Indian
3	Biocon Biologics UK Limited	Foreign
4	Biocon Biologics Inc	Foreign
5	Biosimilar Collaborations Ireland Limited	Foreign
6	Biosimilars Newco Limited	Foreign

The tax benefits discussed above pertain to the Indian material subsidiaries. Furthermore, we confirm that none of the Company's material foreign subsidiaries has a presence or permanent establishment in India. Accordingly, these material foreign subsidiaries do not avail of any direct or indirect tax benefits in India.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of certain U.S. federal income tax consequences of the acquisition, ownership and disposition of Equity Shares by a U.S. Holder (as defined below). This summary deals only with initial purchasers of Equity Shares in the offering that are U.S. Holders that will hold the Equity Shares as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Equity Shares by particular investors (including consequences under the alternative minimum tax or net investment income tax), and does not address state, local, non-U.S. or other tax laws (such as estate or gift tax laws). This summary also does not address tax considerations applicable to investors that own (directly, indirectly or by attribution) 10 per cent. or more of the equity interests of the Company by vote or value, nor does this summary discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, investors that will hold the Equity Shares as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes, persons that have ceased to be U.S. citizens or lawful permanent residents of the United States, investors holding the Equity Shares in connection with a trade or business conducted outside of the United States, U.S. citizens or lawful permanent residents living abroad or investors whose functional currency is not the U.S. dollar).

As used herein, the term "**U.S. Holder**" means a beneficial owner of Equity Shares that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organised under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds Equity Shares will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax advisers concerning the U.S. federal income tax consequences to them and their partners of the acquisition, ownership and disposition of Equity Shares by the partnership.

This summary is based on the tax laws of the United States, including the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed Treasury regulations thereunder, published rulings and court decisions, as well as on the income tax treaty between the United States and India (the "**Treaty**"), all as of the date hereof and all subject to change at any time, possibly with retroactive effect. No rulings have been requested from the U.S. Internal Revenue Service (the "**IRS**") and there can be no guarantee that the IRS would not challenge, possibly successfully, the treatment described below.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF THE EQUITY SHARES, INCLUDING THEIR ELIGIBILITY OF THE TREATY, THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

Distributions

This section is subject to further discussion under "*—Passive Foreign Investment Company Considerations*" below.

Distributions paid by the Company out of current or accumulated earnings and profits (as determined for U.S. federal income tax purposes), before reduction for any Indian withholding tax with respect thereto, generally will be taxable to a U.S. Holder as foreign source dividend income. Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the U.S. Holder's basis in the Equity Shares and thereafter as capital gain. However, the Company does not maintain calculations of its earnings and profits in accordance with U.S. federal income tax accounting principles. U.S. Holders should therefore assume that any distribution by the Company with respect to the Equity Shares will be treated as ordinary dividend income. Such dividend income will not be eligible for the dividends received deduction allowed to corporations. U.S. Holders should consult their own tax advisers with respect to the appropriate U.S. federal income tax treatment of any distribution received from the Company.

Dividends paid by the Company generally will be taxable to a non-corporate U.S. Holder at the special reduced rate normally applicable to long-term capital gains, provided the Company qualifies for the benefits of the Treaty and certain holding period and other requirements are met. A U.S. Holder will not be able to claim the reduced rate on dividends received from the Company if the Company is treated as a passive foreign investment company ("**PFIC**") in the taxable year in which the dividends are received or in the preceding taxable year. See "*—Passive Foreign Investment Company Considerations*" below. Prospective purchasers should consult their tax advisers regarding the qualified dividend income rules.

Dividends paid in Indian rupees will be included in income in a U.S. dollar amount calculated by reference to the exchange rate in effect on the day the dividends are received by the U.S. Holder, regardless of whether the Indian rupees are converted into U.S. dollars at that time. If dividends received in Indian rupees are converted into U.S. dollars at the spot rate applicable on the day they are received, the U.S. Holder generally will not be required to recognise foreign currency gain or loss in respect of the dividend income.

A U.S. Holder may be entitled, subject to certain limitations and requirements, to a credit against its U.S. federal income tax liability for Indian income taxes withheld by the Company on payments of dividends (at a rate not exceeding any applicable Treaty rate). Dividends generally will constitute foreign source "passive category income" for purposes of the foreign tax credit. The rules governing foreign tax credits are complex, and final U.S. Treasury regulations ("**Final FTC Regulations**") have imposed additional requirements that must be met for a foreign tax to be creditable. We do not intend to determine whether such requirements are met. However, recent notices (the "**Notices**") from the IRS indicate that the U.S. Treasury Department and the IRS are considering proposing amendments to the Final FTC Regulations. The Notices allow taxpayers, subject to certain conditions, to defer the application of many aspects of the Final FTC Regulations until the date when a notice or other guidance withdrawing or modifying this temporary relief is issued (or any later date specified in such notice or other guidance). In lieu of claiming a credit, subject to applicable limitations and requirements, a U.S. Holder may be able to take a deduction for such taxes. An election to deduct creditable foreign taxes instead of claiming foreign tax credits must be applied to all creditable foreign taxes paid or accrued in the U.S. Holder's taxable year. Prospective purchasers should consult their tax advisers concerning the foreign tax credit implications (including the creditability or deductibility, and any applicable limitations) of Indian withholding taxes in their particular circumstances.

Sale or Other Taxable Disposition

This section is subject to further discussion under "*—Passive Foreign Investment Company Considerations*" below.

Upon a sale or other taxable disposition of Equity Shares, a U.S. Holder generally will recognise capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the amount realised on the sale or other taxable disposition and the U.S. Holder's adjusted tax basis in the Equity Shares, in each case as determined in U.S. dollars. This capital gain or loss will be long-term capital gain or loss if the U.S. Holder's holding period in the Equity Shares exceeds one year. Non-corporate U.S. Holders are subject to tax on long-term capital gain at reduced rates. The deductibility of capital losses is subject to significant limitations. U.S. Holders should consult their own tax advisers about how to account for proceeds received on the sale or other taxable disposition of Equity Shares that are not paid in U.S. dollars.

Any gain or loss recognised by a U.S. Holder on the sale or other taxable disposition of Equity Shares generally will be U.S. source. As a result, the use of U.S. foreign tax credits relating to any Indian income tax imposed upon gains in respect of the Equity Shares may be limited. Moreover, under the Final FTC Regulations described above (and subject to the Notices described above), Indian income taxes on disposition gains of U.S. Holders that are not entitled to, or do not elect to apply, the benefits of the Treaty, are generally not creditable for U.S. federal income tax purposes. However, Indian income taxes on disposition gains that are not creditable may reduce the amount realised on the disposition of Equity Shares or alternatively may be deductible. Indian STT is not creditable for U.S. federal income tax purposes. Prospective purchasers should consult their tax advisers as to the foreign tax credit implications of such sale or other taxable disposition of Equity Shares, including their ability to credit or deduct any Indian income tax against their U.S. federal income tax liability, the proper application of the Treaty (which in some respects is not entirely clear), the determination of the amount realised and disclosure obligations of any Treaty-based tax return position, as well as the proper U.S. federal income tax treatment of Indian STT (including whether Indian STT is deductible, increases the adjusted tax basis in the Equity Shares or reduces the amount realized on disposition).

Passive Foreign Investment Company Considerations

A non-U.S. corporation will be a passive foreign investment company ("**PFIC**") in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable "look-through rules", either (i) at least 75 per cent. of its gross income is "passive income" or (ii) at least 50 per cent. of the average value of its assets is attributable to assets which produce passive income or are held for the production of passive income. For these purposes, "passive income" generally includes interest, dividends, rents, royalties and gains from non-dealer

securities transactions (subject to certain exceptions). In general, cash is a passive asset for these purposes. Goodwill is generally treated as a non-passive asset to the extent that it is attributable to activities that produce non-passive income.

Based on the Company's current and anticipated operations, and the current and projected composition of the Company's income and assets and the expected value of its assets (including goodwill), the Company does not expect to be a PFIC for the current taxable year. However, the Company's possible status as a PFIC must be determined annually after the close of each taxable year, and therefore may be subject to change. This determination will depend on, among other things, the composition of the income and assets, as well as the value of the assets, of our Company and its subsidiaries from time to time. The value of our assets (including goodwill and other intangibles) for purposes of the PFIC determination may be determined, in large part, by reference to the market price of our Equity Shares, which could fluctuate significantly, and if the market price of the Equity Shares decreases while the Company holds a substantial amount of cash and other passive assets, the risk of the Company becoming a PFIC will increase. In addition, the Company's possible status as a PFIC will also depend on the application of complex statutory and regulatory rules that are subject to potentially varying or changing interpretations. Accordingly, there can be no assurance that the Company will not be a PFIC for any year in which a U.S. Holder holds the Equity Shares.

If the Company is a PFIC in any year during which a U.S. Holder holds the Equity Shares, and such holder has not made any of the elections described below, the U.S. Holder will generally be subject to special rules with respect to (i) any "excess distribution" (generally, the excess of the total amount of distributions in respect of the Equity Shares received by the U.S. Holder during a taxable year over 125 per cent. of the average annual distributions received in respect of such stock by the U.S. Holder in the three preceding taxable years or, if shorter, the U.S. Holder's holding period for the Equity Shares) and (ii) any gain realised on the sale or other disposition of the Equity Shares. Under these rules (a) the excess distribution or gain will be allocated rateably over the U.S. Holder's holding period, (b) the amount allocated to the current taxable year and any taxable year prior to the first taxable year in which the Company is a PFIC will be taxed as ordinary income, and (c) the amount allocated to each of the other taxable years will be subject to tax at the highest rate of tax in effect for the applicable class of taxpayer for that year and an interest charge for the deemed deferral benefit will be imposed with respect to the resulting tax attributable to each such other taxable year. Additionally, dividends paid by the Company will not be eligible for the special reduced rate of tax described above under "*Distributions*". If the Company is a PFIC for any taxable year during which a U.S. Holder holds the Equity Shares, the Company would generally continue to be treated as a PFIC with respect to such U.S. Holder for all succeeding years during which such holder owns the Equity Shares, even if the Company ceases to meet the threshold requirements for PFIC status (unless the U.S. Holder makes a deemed sale election with respect to the Equity Shares once the Company is no longer a PFIC). If the Company is a PFIC for any taxable year, U.S. Holders should consult their tax advisers regarding the application of the PFIC rules to their ownership of the Equity Shares.

If the Company is a PFIC for any taxable year, to the extent any of its subsidiaries (or other entities in which it holds equity interests) are also PFICs, a U.S. Holder will generally be deemed to own equity interests in such lower-tier PFICs that are directly or indirectly owned by the Company in the proportion which the value of the Equity Shares owned by such U.S. Holder bears to the value of all of the Company's equity interests, and such U.S. Holder will generally be subject to the tax consequences described above (and the IRS Form 8621 reporting requirement described below) with respect to the equity interests of such lower-tier PFIC the U.S. Holder is deemed to own. As a result, if the Company receives a distribution from any lower-tier PFIC or sells equity interests in a lower-tier PFIC, a U.S. Holder will generally be subject to tax under the excess distribution rules described above in the same manner as if such U.S. Holder had held a proportionate share of the lower-tier PFIC equity interests directly, even if such amounts are not distributed to the U.S. Holder. The application of the PFIC rules to indirect ownership of any lower-tier PFIC held by the Company is very complex and uncertain, and U.S. Holders should therefore consult their own tax advisers regarding the application of such rules to their ownership of Equity Shares.

If the Company is a PFIC in a taxable year and the Equity Shares are treated as "marketable stock" in such year, a U.S. Holder may make a mark-to-market election with respect to its Equity Shares. A U.S. Holder that makes a valid mark-to-market election with respect to the first taxable year during its holding period in which the Company is a PFIC generally will not be subject to the PFIC rules described above. Instead, in general, such U.S. Holder will include as ordinary income each year the excess, if any, of the fair market value of the Equity Shares at the end of the taxable year over the U.S. Holder's adjusted basis in the Equity Shares. Such U.S. Holder will also be allowed to take an ordinary loss in respect of the excess, if any, of such holder's adjusted basis in the Equity Shares over the fair market value of such Equity Shares at the end of the taxable year (but only to the extent of the net amount of previously included income as a result of the mark-to-market election). The U.S. Holder's basis in the Equity Shares will be adjusted to reflect any such income or loss amounts. Any gain that is recognised on the sale or other taxable disposition of the Equity Shares would be ordinary income and any loss would be an ordinary loss to the extent of the net amount of previously included income as a result of the mark-to-market election and, thereafter, a capital loss. However, because a mark-to-market election cannot technically be made for equity interests in any lower-tier PFICs of the Company that are not treated as "marketable stock", a U.S. Holder would continue to be subject to the excess distribution rules with respect to any lower-

tier PFICs, any distributions received by the Company from a lower-tier PFIC, and any gain recognised by the Company upon a sale of equity interests of a lower-tier PFIC, even if a mark-to-market election has been made by the U.S. Holder with respect to its Equity Shares. The interaction of the mark-to-market rules and the rules governing lower-tier PFICs is complex and uncertain, and U.S. Holders should therefore consult their own tax advisers regarding the availability and advisability of the mark-to-market election as well as the application of the PFIC rules to their ownership of the Equity Shares.

In some cases, a shareholder of a PFIC may be subject to alternative treatment by making a qualified electing fund ("**QEF**") election to be taxed currently on its share of the PFIC's undistributed income. To make a QEF election, the Company must provide U.S. Holders with certain information compiled according to U.S. federal income tax principles. The Company currently does not intend to provide such information for U.S. Holders, and therefore it is expected that this election will be unavailable.

A U.S. Holder who owns, or who is treated as owning, PFIC stock during any taxable year in which the Company is classified as a PFIC may be required to file IRS Form 8621. Prospective purchasers should consult their tax advisers regarding the requirement to file IRS Form 8621 and the potential application of the PFIC regime to their investment in the Company.

Backup Withholding and Information Reporting

Payments of dividends on, and proceeds from the sale or other taxable disposition of, Equity Shares by a U.S. or -U.S.-connected paying agent or other U.S. or U.S.-connected intermediary will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding may apply to these payments if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to comply with applicable certification requirements. Certain U.S. Holders are not subject to backup withholding. U.S. Holders should consult their tax advisers about these rules and any other reporting obligations that may apply to the ownership or disposition of Equity Shares, including reporting obligations related to the holding of certain "specified foreign financial assets".

LEGAL PROCEEDINGS

We are, from time to time, involved in various litigation proceedings in the ordinary course of our business. These legal proceedings are primarily in the nature of, among others, civil suits, criminal cases, tax proceedings and regulatory and statutory actions. These legal proceedings may have been initiated by us or by other parties against us and are pending at different levels of adjudication before various courts and tribunals. We assess each such legal proceeding filed by or against us and monitor the legal position on an ongoing basis.

As on the date of this Preliminary Placement Document, except as disclosed below, there are no outstanding legal proceedings which has been considered material in accordance with our Company's "Policy for Determination of Materiality for Disclosures" framed in accordance with Regulation 30 of the SEBI Listing Regulations and adopted by the Board pursuant to its resolution dated June 16, 2025.

*Additionally, for the purpose of identification of litigation, pursuant to the terms of the policy approved by the Board in its meeting held on June 16, 2025, solely for the purpose of this Issue, this section of the Preliminary Placement Document also discloses (i) all outstanding criminal proceedings (including first information reports) involving our Company and its Subsidiaries), (ii) all outstanding actions (including notices received) by regulatory and/ or statutory authorities involving our Company and/or our Subsidiaries individually; (iii) all outstanding civil proceedings involving our Company and/or Subsidiaries, which involve an amount equivalent to or above ₹ 416 million, i.e., 5 % of the average of absolute value of profit or loss after tax as per the last three audited consolidated financial statements of our Company for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023. ("**Materiality Threshold**"). (iv) all outstanding claims related to direct and indirect tax matters involving our Company and/or our Subsidiaries which are disclosed in a consolidated manner, giving the number of cases and total amount demandedand (v) other outstanding proceedings involving our Company and/or its Subsidiaries wherein a monetary liability is not determinable or quantifiable, or which does not exceed the Materiality Threshold, which if results in an adverse outcome would have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company and (vi) all litigation proceedings involving the Promoters or Directors of our Company, which, if result in an adverse outcome, would materially and adversely affect the financial position, business, operations, prospects, or reputation of our Company.*

Except as disclosed in , this section of the Preliminary Placement Document, there are no (i) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous Companies law in the last three years preceding the year of issue of this Preliminary Placement Document involving our Company and our Subsidiaries and any prosecutions filed (whether pending or not) fines imposed, compounding of offences in such duration for our Company and our Subsidiaries; (ii) material fraud committed against our Company in the last three years from the date of this Preliminary Placement Document, and if so, the action taken by our Company; (iii) significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations; (iv) defaults by our Company (on a consolidated basis) in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon; (v) defaults in annual filing of our Company under the Companies Act or the rules made thereunder; and (vi) litigations or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoters of our Company during the last three years and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action,; It is clarified that for the purposes of the above, pre-litigation notices received by our Company, or our Subsidiaries (excluding FIRs and notices issued by statutory/regulatory/ judicial/quasi-judicial/government/tax authorities) shall, unless otherwise decided by the Board of Directors, not be considered as litigation until such time that our Company or subsidiaries of our Company, as the case may be, is impleaded as a defendant in litigation proceedings before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.

I. Litigation involving our Company

A. Criminal litigation involving our Company

Criminal litigation initiated against our Company

The Ministry of Health and Family Affairs, Union of India, through the Drugs Inspector, Port Office, Marmagoa, Goa ("**Complainant**") filed a complaint dated December 17, 2016 ("**Complaint**") before the court of Judicial Magistrate First Class, Vasco, Goa ("**Court**") against our Company, Ravi Rasendra Mazumdar, our Director and John Mccallum Marshall Shaw, our erstwhile Director, under Section 200 of the Code of Criminal Procedure, 1973 ("**CrPC**") read with sections 32(1), Section 18 (a)(i) and Section 27 of the Drugs and the Cosmetics Act, 1940, as amended ("**Drugs and**

Cosmetics Act") alleging manufacture of drugs not of standard quality. The Complaint pertained to a sample of the drug Kineto Forte. In due process of the Complaint, the Complainant sought to amend the Complaint to implead M/s Crescent Therapeutics Limited ("**Crescent**") and its general manager (collectively, "**Additional Accused**"), upon receiving information that the staff of Crescent had manufactured and analysed the drug in question via letter dated December 17, 2015. The Court dismissed the Complaint and the application for amendment on grounds of limitation by order dated October 30, 2019. Further, the Court held that despite having knowledge of the Additional Accused at the time of filing of the Complaint, the Complainant attempted to introduce them only through a proposed amendment along with additional offences, which constituted new allegations rather than curable defects; and thereby the amendment was not maintainable under law. The Complainant filed an appeal on August 14, 2020, before the Bombay High Court at Goa against the dismissal order, along with an application for condonation of delay and a separate application seeking leave to appeal under Section 378(4) of the CrPC. The matter is currently pending.

Criminal litigation initiated by our Company

Our Company has filed 3 complaints under section 138 of the Negotiable Instruments Act, 1881 in relation to dishonour of cheques. The matters are pending at various stages of adjudication before various courts. The aggregate amount involved in these matters is approximately ₹ 34.13 million.

B. Material civil proceedings involving our Company

Material civil proceedings initiated against our Company

Add Food Service GmbH and its managing director, Johannes de Bie (**"Plaintiffs**") filed a civil suit on November 3, 2009 before the Civil Judge (Senior Division) at Anekal, Bangalore ("**Court**") against our Company, our Chairperson and Executive Director, Kiran Mazumdar-Shaw and Novozyme South Asia Private Limited ("**Novozyme"**). The Plaintiffs alleged that they provided certain microorganism strains along with the development package which provides details of the technology for the utilization and regeneration of the strains to our Company, under an agreement stipulating certain commission/royalty would be paid to the Plaintiff upon commercialization. The Plaintiffs *inter-alia* claim that our Company and Kiran Mazumdar-Shaw unlawfully sold their enzyme business including the microorganism strains, the development package and the intellectual property rights of their production methodologies, to Novozyme for an aggregate consideration of ₹ 7,995.90 million, thereby infringing the Plaintiffs' intellectual property rights. The Plaintiffs have sought joint and several liability of our Company, Kiran Mazumdar-Shaw, and Novozyme for an amount of ₹ 347.65 million, along with interest at 18% per annum from October 2007 until the date of payment. Our Company filed an interlocutory application dated November 29, 2021 seeking security for costs which was allowed by the Court on March 11, 2020. The Plaintiffs challenged this order through a writ petition dated April 1, 2022 before the Karnataka High Court. Additionally, the Plaintiffs filed two writ petitions dated December 15, 2022 and February 17, 2023, challenging the Court's orders dated September 27, 2022 and November 30, 2022, respectively, which rejected their applications seeking permission for presentation of evidence and examination of witnesses via video conferencing. The matter is currently pending.

Material civil proceedings initiated by our Company

Nil

C. Outstanding proceedings initiated by statutory or regulatory authorities against our Company

1. Our Company received a show cause notice dated March 17, 2025 from Sub-Regional Office, Employees State Insurance Corporation, Bommasandra under the Section 40 of the Employee State Insurance Act, 1948 read with Employees State Insurance (General) Regulation, 1950 regarding the default in making the payment of the contributions within the stipulated time and manner. Our Company submitted its response on May 12, 2025. The matter is currently pending.

2. Our Company has received summons from Regional Provident Fund Commissioner, Bommasandra on May 2, 2025 to appear for hearing under Section 14B of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 for belated remittance of contributions during the period of April 1, 2024 to March 31, 2025. Our Company submitted its response on May 21, 2025 seeking a waiver for penalties imposed for the period of April 2022 to July 2024, stating that the delay is attributable to factors beyond its control. The matter is currently pending.

3. Our Company received a show cause notice dated October 16, 2024 from the Senior Labour Inspector, Department of Labour, Bangalore relating to the inspection under various labour laws on September 2, 2024 wherein the representatives of our Company failed to submit certain documents and registers for verification. Our Company was directed to correct the deficiencies and submit a response for the same, along with the required documents and registers. Subsequently, our Company submitted its reply on December 9, 2024, outlining compliance with the shortcomings highlighted in the show cause notice. The matter is currently pending.

II. Litigation involving our Subsidiaries

A. Criminal litigation involving our Subsidiaries

Criminal litigation initiated against our Subsidiaries

First information report has been lodged against Syngene International Limited ("**Syngene**") on January 22, 2025 in connection with death of a person, who received single dosage of reference drug as part of clinical trial study. Syngene has made requisite reporting of the matter to Central Drugs Standard Control Organisation. The matter is currently outstanding.

Criminal litigation initiated by our Subsidiaries

Our Subsidiary, Biocon Biologics Limited has filed 8 complaints against under section 138 of the Negotiable Instruments Act, 1881 in relation to dishonour of cheques. The matters are pending at various stages of adjudication before various courts. The aggregate amount involved in these matters is approximately ₹ 22.58 million.

B. Material civil proceedings involving our Subsidiaries

Material civil proceedings initiated against our Subsidiaries

Airis Pharma Private Limited ("**Airis**") has initiated arbitration proceedings against our Subsidiary, Biocon Pharma Limited ("**Biocon Pharma**") before the Arbitration & Conciliation Centre, Bengaluru ("**Centre**") seeking a declaration that Biocon Pharma's termination of the licensing and supply agreement dated April 22, 2021 ("**Agreement**") (and any amendments thereto) is wrongful and illegal. Airis has further alleged breach of the Agreement on account of a defective risk evaluation and litigation strategy letter of authorization ("**REMS LOA**") dated April 20, 2021 provided by Biocon Pharma and has claimed unliquidated damages of ₹ 415.8 million, along with arbitration and legal costs. The matter is currently pending before the arbitrator.

Material civil proceedings initiated by our Subsidiaries

Nil

C. Outstanding proceedings initiated by statutory or regulatory authorities against our Subsidiaries

1. The Department of Environment of Malaysia in its routine inspections of our Subsidiary, Biocon SDN BHD's site had alleged discharge of higher levels of industrial effluent exceeding the standards under Malaysian environmental regulation. CAPA (Corrective Action and Preventive Action) and mitigation actions are being taken, and the matter is currently being resolved.

2. Our Subsidiary, Biocon Biosphere Limited ("**Biocon Biosphere**") received a show cause notice dated December 6, 2024 from Director and Licensing Authority, Drugs Control Administration, Government of Andhra Pradesh for violation of the condition under Form 29 read with Rule 92(a) of the Drugs and Cosmetics Rules, 1945 due to the unauthorised manufacture and transfer of Tacrolimus ("**Drug**"). The notice issued states that during an inspection of the manufacturing premises on June 4, 2024, it was found that the Drug was being transferred to our Company's premises, supplied to various manufacturers across India and exported to Brazil, United Kingdom, and Jordan, indicating commercial use without the requisite approvals. Biocon Biosphere submitted its reply to the notice on December 26, 2024. Subsequently, Biocon Biosphere on May 9, 2025 issued a declaration accepting the violation. The matter is currently pending.

3. Shreehas Tambe, the chief executive officer and managing director of our Subsidiary, Biocon Biologics Limited, received a show cause notice dated August 3, 2020 ("SCN") from the Securities and Exchange Board of India ("**SEBI**"). The SCN alleged that Shreehas Tambe had traded in 17,440 shares of Biocon Limited (the "**Trade**") in December 2017 while in possession of unpublished price sensitive information ("**UPSI**") pertaining to Biocon Limited's collaboration with Sandoz, in violation of the SEBI (Prevention of Insider Trading) Regulations, 2015 ("**PIT Regulations**"). Subsequently, SEBI, vide its order dated June 30, 2021, ("**SEBI Order**") (i) restrained Shreehas Tambe from accessing the securities market for a period of three months from the SEBI Order, (ii) froze Shreehas Tambe's existing holdings, and (iii) imposed an aggregate penalty of ₹0.2 million. Thereafter, Shreehas Tambe appealed the SEBI Order before the Securities Appellate Tribunal ("**SAT**"). The SAT, vide its order dated July 26, 2022, ("**SAT Order**"), partly quashed the SEBI Order, noting that Shreehas Tambe had obtained pre-clearance to sell the shares of Biocon Limited and, moreover, the sale had not been induced by UPSI. While the SAT Order has been challenged by SEBI by way of a civil appeal before the Supreme Court of India ("**Supreme Court**"), as on the date of this Preliminary Placement Document, the SAT Order prevails as the same has not been stayed by the Supreme Court and the matter is currently pending.

III. Tax Proceedings

As on the date of this Preliminary Placement Document, except as disclosed below, there are no claims related to direct and indirect taxes involving our Company and our Subsidiaries:

Nature of case	Number of cases	Amount involved (₹ million)*
Company		
Direct Tax	23	1,917.21
Indirect Tax	80	1,327.12
Subsidiaries		
Direct Tax	29	6,377.49
Indirect Tax	18	1,776.21

** To the extent quantifiable.*

IV. Litigation involving our Directors or Promoters

As on date of this Preliminary Placement Document, our Directors or Promoters are not involved in any pending legal proceedings, an adverse outcome of which, would materially and adversely affect the financial position, business, operations, prospects, or reputation of our Company.

V. Litigations or legal actions pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years immediately preceding the year of circulation of this Preliminary Placement Document and any direction issued by any such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

There is no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years immediately preceding the year of circulation of this Preliminary Placement Document.

VI. Inquiries, inspections, or investigations under the Companies Act

There have been no inquiries, inspections or investigations initiated or conducted against our Company and our Subsidiaries under the Companies Act, 2013 or the Companies Act, 1956 in the last three years immediately preceding the year of circulation of this Preliminary Placement Document, nor have there been any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document involving our Company and our Subsidiaries.

VII. Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company

There have been no material frauds committed against our Company in the last three years preceding the date of this Preliminary Placement Document.

VIII. Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues; debentures and interest thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon

There are no defaults in the payment of statutory dues (including provident fund, employees' state insurance, income-tax, custom duty and goods and service tax), repayment of debentures and interest thereon, repayment of deposit and interest thereon and repayment of loan from any bank or financial institution and interest thereon by our Company, as on date of this Preliminary Placement Document.

IX. Details of defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder.

As on the date of this Preliminary Placement Document, our Company has not defaulted in any annual filing under the Companies Act, 2013, as amended, or the rules made thereunder.

X. Details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

As on the date of this Preliminary Placement Document, there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

OUR STATUTORY AUDITOR

Our Company's current Statutory Auditors, B S R & Co. LLP, Chartered Accountants, having firm registration number 101248W/W-100022 are independent auditors with respect to our Company as required by the Companies Act, 2013 and in accordance with the guidelines prescribed by the ICAI and have been re-appointed as the statutory auditors of our Company, pursuant to the approval of the shareholders of our Company at the general meeting held on July 23, 2021.

The Audited Consolidated Financial Statements of our Company as included in this Preliminary Placement Document, have been audited by our Statutory Auditors, as stated in their reports appearing herein.

The audit reports for Fiscal 2025 Audited Consolidated Financial Statements and Fiscal 2024 Audited Consolidated Financial Statements contain a reference to certain non-compliance with respect to operating effectiveness of audit trail feature for all relevant transaction in relation to accounting systems used to maintain books of accounts. The audit reports for Fiscal 2025 Audited Consolidated Financial Statements, Fiscal 2024 Audited Consolidated Financial Statements and Fiscal 2023 Audited Consolidated Financial Statements contain an other matter paragraph in relation to certain subsidiaries and joint venture whose financial statement is prepared under accounting principles generally accepted in their respective countries and have been audited by other auditors and whose report has been furnished to our Statutory Auditors. The audit reports for Fiscal 2025 Audited Consolidated Financial Statements and Fiscal 2023 Audited Consolidated Financial Statements contain unfavorable/ qualification /adverse remarks given under the Companies (Auditor's Report) Order, 2020 in relating to funds raised on short term basis have been used for long term purpose in respect of the Company.

Further, the audit reports for Fiscal 2025 Audited Consolidated Financial Statements and Fiscal 2024 Audited Consolidated Financial Statements contain unfavorable/ qualification /adverse remarks given under the Companies (Auditor's Report) Order, 2020 in relating to funds raised on short term basis have been used for long term purpose in respect of the certain subsidiaries in the Group. The audit reports for Fiscal 2025 Audited Consolidated Financial Statements, Fiscal 2024 Audited Consolidated Financial Statements and Fiscal 2023 Audited Consolidated Financial Statements contain unfavorable/ qualification /adverse remarks given under the Companies (Auditor's Report) Order, 2020 in relating to certain subsidiaries that had incurred cash losses.

The peer review certificate of our current Statutory Auditor, B S R & Co. LLP, Chartered Accountants is valid on the date of this Preliminary Placement Document.

GENERAL INFORMATION

1. Our Company was incorporated as 'Biocon India Private Limited' under the Companies Act, 1956 at Bangalore, pursuant to a certificate of incorporation dated November 29, 1978, issued by the Registrar of Companies, Karnataka at Bangalore ("RoC"). It was subsequently deemed to be a public limited company with effect from July 1, 1995, in accordance with Section 43A(2) of the Companies Act, 1956. Thereafter, our Company was converted into a private limited company under Section 43A(2A) of the Companies Act, 1956, with effect from December 21, 2000. Our Company was again converted into a public limited company, and its name was changed to 'Biocon India Limited', pursuant to which a fresh certificate of incorporation was issued by the RoC on June 18, 2001. Subsequently, the name of the Company was changed to 'Biocon Limited', and a fresh certificate of incorporation reflecting the change was issued by the RoC on November 19, 2003.

2. The CIN of the Company is L24234KA1978PLC003417.

3. The LEI of the Company is 335800NK3L7QCHLOC198.

4. The website of our company is www.biocon.com

5. The Equity Shares are listed on BSE and NSE.

6. The Issue was authorised and approved by our Board pursuant to a resolution dated April 23, 2025, and by the shareholders of our Company pursuant to a special resolution dated June 4, 2025 passed by way of postal ballot.

7. Our Company has received in-principle approvals under Regulation 28(1) of the SEBI Listing Regulations to list the Equity Shares to be issued pursuant to the Issue, from each of BSE and NSE, on June 16, 2025. We will apply to the respective Stock Exchanges for the final listing and trading approvals of the Equity Shares on the Stock Exchanges after Allotment of the Equity Shares in the Issue.

8. The authorised share capital of our Company is ₹ 700,00,00,000 comprising 140,00,00,000 Equity Shares of face value of ₹ 5 each.

9. In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed India Ratings and Research Private Limited, for monitoring the utilisation of the Issue Proceeds. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations. Our Company shall, in compliance with requirements of the SEBI Listing Regulations, within 45 days from the end of each quarter, place the report of the Monitoring Agency before the audit committee, upload it on our website and also submit the same to the Stock Exchanges.

10. Copies of our Memorandum of Association and Articles of Association will be available for inspection between 9:30 am to 5:30 pm on any weekday (except Saturdays and public holidays) at our Registered Office.

11. Our Company has obtained all consents, approvals and authorisations required in connection with the Issue.

12. No change in control of the Company will occur consequent to the Issue.

13. There have been no defaults in the annual fillings of our Company under the Companies Act or the rules made thereunder.

14. There has been no material change in the financial or trading position of our Company since March 31, 2025, being the date of Audited Consolidated Financial Statements prepared in accordance with applicable accounting standards included in this Preliminary Placement Document, except as disclosed herein.

15. Except as disclosed in this Preliminary Placement Document, there are no material litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue. For further details, see "*Legal Proceedings*" on page 497.

16. As on the date of this Preliminary Placement Document, B S R & Co. LLP, Chartered Accountants, having Firm Registration No. 101248W/W-100022 is the Statutory Auditor of our Company.

17. Our Company confirms that it is in compliance with the minimum public shareholding requirements as required under the terms of the SEBI Listing Regulations, SCRA and SCRR.

18. The Floor Price is ₹ 340.20 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with Regulation 176(1) of the SEBI ICDR Regulations.

19. Details of the Nodal Officer of our Company:

Mukesh Kamath
Address: 20th KM, Hosur Road, Electronic City,
Bangalore 560 100, Karnataka, India
Tel: +91 80 2808 2808
E-mail: co.secretary@biocon.com

20. Our Company and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including our website, would be doing it at his or her own risk.

PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotments of Equity Shares pursuant to this Issue shall be made by our Company, in consultation with the Book Running Lead Managers, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees and the percentage of post-Issue capital (assuming that the Equity Shares are Allotted to them pursuant to this Issue) that may be held by them in our Company is set forth below. These details of the proposed Allottees, assuming that the Equity Shares are allotted to them pursuant to the Issue, will be included in the Placement Document to be sent to such proposed Allottees.

S. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital held (%)^#
1.	[●]	[●]
2.	[●]	[●]
3.	[●]	[●]

^ *Based on beneficiary position as on [●], 2025 (adjusted for Equity Shares Allocated in the Issue).*

 # The post-Issue shareholding pattern (in percentage terms) of the proposed Allottees will be disclosed on the basis of their respective PAN, except in case of Mutual Funds, Insurance Companies, and FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID has been considered.

Note: Subject to receipt of funds and allotment in the Issue. The above table has been intentionally left blank and shall be updated in the Placement Document.

DECLARATION

The Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on the Company's business have been obtained, are currently valid and have been complied with. The Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

_____

Name: Siddharth Mittal
Designation: Managing Director and CEO
DIN: 03230757
Date: June 16, 2025
Place: Bengaluru

DECLARATION

We, the Board of the Company, certify that:

(i) the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(ii) the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

(iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

_____
Name: Siddharth Mittal
Designation: Managing Director and CEO
DIN: 03230757
Date: June 16, 2025
Place: Bengaluru

I am authorized by the Fund Raising Committee, a committee of the Board of the Company, vide resolution dated June 16, 2025 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoter subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed:

_____
Name: Siddharth Mittal
Designation: Managing Director and CEO
DIN: 03230757
Date: June 16, 2025
Place: Bengaluru

BIOCON LIMITED

Registered and Corporate Office
20th KM, Hosur Road, Electronic City,
Bangalore 560 100,
Karnataka, India

Tel: +91 80 2808 2808
Email: co.secretary@biocon.com | **Website**: www.biocon.com
CIN: L24234KA1978PLC003417

Contact Person
Mukesh Kamath
Designation: Nodal Officer
Tel: +91 80 2808 2808
E-mail: co.secretary@biocon.com
Address: 20th KM, Hosur Road, Electronic City,
Bangalore 560 100,
Karnataka, India

BOOK RUNNING LEAD MANAGERS

Kotak Mahindra Capital Company Limited
27 BKC, 1st Floor, Plot No. C – 27
"G" Block, Bandra Kurla Complex
Bandra (East), Mumbai – 400 051
Maharashtra, India

BofA Securities India Limited
Ground Floor, A Wing, One BKC, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai 400 051
Maharashtra, India

Goldman Sachs (India) Securities Private Limited
951-A, Rational House
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025
Maharashtra, India

STATUTORY AUDITORS OF OUR COMPANY

B S R & Co. LLP, Chartered Accountants
14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, Nesco Center
Western Express Highway, Goregaon (East)
Mumbai – 400 063
Maharashtra, India

LEGAL COUNSEL TO OUR COMPANY

JSA Advocates & Solicitors
B-303, Ansal Plaza, Hudco Place
August Kranti Marg
New Delhi –110049, India

LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGERS

As to Indian law

Cyril Amarchand Mangaldas
3rd floor, Prestige Falcon Towers, 19, Brunton Road, Off
M.G. Road, Bengaluru 560 025, Karnataka, India

As to United States law

Linklaters Singapore Pte. Ltd.
One George Street #17-01, Singapore 049 145

SAMPLE APPLICATION FORM

An indicative form of the Application Form is set forth below:

(*Note: The format of the Application Form included herein below is indicative and for illustrative purposes only and no Bids in this Issue can be made through the sample Application Form. The Company, in consultation with the BRLMs, shall identify Eligible QIBs and circulate serially numbered copies of this Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of this Preliminary Placement Document and the Application Form and not on the basis of the indicative format below.*)

BIOCON LIMITED *Our Company was incorporated as 'Biocon India Private Limited' under the Companies Act, 1956 at Bangalore, pursuant to a certificate of incorporation dated November 29, 1978, issued by the Registrar of Companies, Karnataka at Bangalore ("RoC"). It was subsequently deemed to be a public limited company with effect from July 1, 1995, in accordance with Section 43A(2) of the Companies Act, 1956. Thereafter, our Company was converted into a private limited company under Section 43A(2A) of the Companies Act, 1956, with effect from December 21, 2000. Our Company was again converted into a public limited company, and its name was changed to 'Biocon India Limited', pursuant to which a fresh certificate of incorporation was issued by the RoC on June 18, 2001. Subsequently, the name of our Company was changed to 'Biocon Limited', and a fresh certificate of incorporation reflecting the change was issued by the RoC on November 19, 2003* **Registered and Corporate Office:** 20th KM, Hosur Road, Electronic City, Bangalore 560 100, Karnataka, India; **Telephone:** +91 80 2808 2808 **Contact Person:** Mukesh Kamath, Nodal Officer **E-mail address:** co.secretary@biocon.com **Website:** www.biocon.com **CIN:** L24234KA1978PLC003417 | **LEI:** 335800NK3L7QCHLOC198 | **ISIN:** INE376G01013	**APPLICATION FORM** **Name of Bidder: _____** **Form No: _____** **Date: _____**

QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE ₹5 EACH (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE ("ISSUE PRICE"), INCLUDING A PREMIUM OF ₹[●] PER EQUITY SHARE, AGGREGATING TO ₹[●] MILLION UNDER CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER BY BIOCON LIMITED (THE "COMPANY") (HEREINAFTER REFERRED TO AS THE "ISSUE"). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ 340.20 PER EQUITY SHARE AND THE COMPANY MAY OFFER A DISCOUNT ON THE FLOOR PRICE IN TERMS OF REGULATION 176(1) OF THE SEBI ICDR REGULATIONS AND IN ACCORDANCE WITH THE APPROVAL OF ITS SHAREHOLDERS.

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and who (a) are not, excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) which are not prohibited or debarred by any regulatory authority for buying or selling or dealing in securities or restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws including foreign exchange related laws and other applicable laws; (c) hold a valid and existing registration under the applicable laws in India (as applicable); and (d) are eligible to invest in the Issue can submit this Application Form. In addition to the foregoing, with respect to the Issue, Eligible QIBs shall consist of QIBs which are residents in India or Eligible FPIs (as defined herein below) participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Rules") or a multilateral or bilateral development financial institution eligible to invest in India under applicable law including the FEMA Rules can submit this Application Form. However, except as provided herein, other non-resident QIBs, in terms of the FEMA Rules, are not permitted to participate in the Issue. The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and, unless so registered, may not be offered, sold or delivered within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons who are qualified institutional buyers (as defined in Regulation 144A under the U.S. Securities Act) ("U.S. QIBs") pursuant to Section 4(a)(2) of the U.S. Securities Act, and (b) outside the United States, in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdictions where those offers and sales are made. You should note and observe the selling and transfer restrictions contained in the sections entitled "Selling Restrictions" and "Transfer Restrictions" in the accompanying preliminary placement document dated June 16, 2025 (the "PPD"). For avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in the PPD as "QIBs"

ELIGIBLE NON-RESIDENT QIBs CAN PARTICIPATE IN THE ISSUE IN COMPLIANCE WITH THE FEMA RULES. ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THE ISSUE UNDER SCHEDULE II OF THE FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019 ("FEMA RULES") IN THE ISSUE THROUGH THE PORTFOLIO INVESTMENT SCHEME AND UNDER THE RESPECTIVE SCHEDULES OF FEMA RULES, IN THIS ISSUE, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT

APPROVAL ROUTE, AS PRESCRIBED IN THE FEMA RULES AND SHALL HAVE TO BE IN CONFORMITY WITH THE APPLICABLE PROVISIONS OF THE FEMA RULES. ALLOTMENTS MADE TO AIFs AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,

The Board of Directors
BIOCON LIMITED
20th KM, Hosur Road, Electronic City
Bengaluru 560 100
Karnataka, India

STATUS (Please ✓)			
FI	Scheduled Commercial Banks and Financial Institutions	**AIF**	Alternative Investment Fund*
MF	Mutual Funds	**IF**	Insurance Funds
FPI	Eligible Foreign Portfolio Investors**	**NIF**	National Investment Fund
VCF	Venture Capital Funds*	**SI-NBFC**	Systemically Important Non- Banking Financial Companies
IC	Insurance Companies	**OTH**	Others _____ (Please specify)

Total shares currently held by QIB or QIBs belonging to the same group or those who are under common control. For details of what constitutes "*same group*" or "*common control*", see "*Application Form*" under *Issue Procedure* section of the PPD.

* *Sponsor and Manager should be Indian owned and controlled.*

** *Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue*

Respected All,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, on the terms and price indicated below. We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the PPD and this Application Form. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations and foreign exchange related laws. We are not a promoter of the Company, directly or indirectly, (as defined in the SEBI ICDR Regulations), or any person related to the promoters of the Company, directly or indirectly and this Application Form does not directly or indirectly represent the promoter or promoter group or persons related to the promoter. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with promoters or persons related to promoters of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either an Eligible QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules, or a multilateral or bilateral development financial institution eligible to invest in India under applicable law including the FEMA Rules. We confirm that we are not a FVCI. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**"). We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted a separate Application Form, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of shares to be Allotted under each scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant authorisations. We note that the Company is entitled, in consultation with Kotak Mahindra Capital Company Limited, BofA Securities India Limited and Goldman Sachs (India) Securities Private Limited (the "**Lead Managers**"), in their sole discretion, to accept or reject this Application Form without assigning any reason thereof.

We hereby agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, Placement Document and the Confirmation of Allocation Note ("**CAN**"), when issued and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be Allocated to us. The Bid Amount payable by us for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior to the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash, demand draft or cheque. We are aware that Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the Lead Managers; and (i) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or (ii) the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or (iii) the Company is unable to issue and Allot the Equity Shares offered in the Issue or (iv) if we withdraw the Bid before Bid / Issue Closing Date, or (v) if there is a cancellation of the Issue, or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document, the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We acknowledge and agree that (i) our names, address, contact details, PAN, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our

names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Lead Managers; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Karnataka, at Bengaluru ("**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of the National Stock Exchange of India Limited and BSE Limited (together, the "**Stock Exchanges**"), and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the RBI and other applicable laws. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

By signing and submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections "***Notice to Investors***", "***Representations by Investors***", "***Issue Procedure***", "***Selling Restrictions***" and "***Transfer Restrictions****"* sections of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the Lead Managers, each of whom is entitled to rely on, and is relying on, these representations and warranties in consummating the Issue.

By signing and submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section "***Risk Factors***" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the Lead Managers or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document, this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company, in consultation with the Lead Managers, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose our names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Lead Managers; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the Lead Managers. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; and (9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

By signing and submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares.

We acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of such Eligible QIB.

By signing and/or submitting this Application Form, we acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. We hereby represent that we are either (a) a "qualified institutional buyer" (as defined in Regulation 144A under the U.S. Securities Act) pursuant to Section 4(a)(2) or another available exemption from registration under the U.S. Securities Act, or (b) located outside the United States and purchasing the Equity Shares in an "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act and in accordance with the applicable laws of the jurisdictions where such offers and sales are made. We confirm that we have read and hereby make the representations, warranties, acknowledgments and agreements contained in the sections titled "***Selling Restrictions***" and "***Transfer Restrictions***" of the PPD.

BIDDER DETAILS (in Block Letters)	
NAME OF BIDDER*	
NATIONALITY	
REGISTERED ADDRESS	
CITY AND CODE	

COUNTRY			
TELEPHONE NO.		**FAX.**	
EMAIL ID			
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NO. _____		
FOR MFs	SEBI MF REGISTRATION NO. _____		
FOR AIFs***	SEBI AIF REGISTRATION NO. _____		
FOR VCFs***	SEBI VCF REGISTRATION NO. _____		
FOR SI-NBFC	RBI REGISTRATION DETAILS_____		
FOR INSURANCE COMPANIES	IRDAI REGISTRATION DETAILS _____		
FOR PENSION FUNDS	PFRDA REGISTRATION DETAILS----------		

* *Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the Bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Company and the Lead Managers.*

** *In case you are an FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*

*** *Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the Lead Managers will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

ESCROW ACCOUNT - BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER	
BY 3:00 PM (IST), June [●], 2025	
Name of the Account	Biocon Limited – 2025 – QIP Escrow Account
Name of the Bank	Kotak Bank Limited
Address of the Branch of the Bank	Kotak Mahindra Bank Ltd., 5 C/ II, Mittal Court, 224, Nariman Point, Mumbai, Maharashtra - 400 021
Legal Entity Identifier Code	335800NK3L7QCHLOC198
Account Type	Escrow
Account Number	5949967261
IFSC	KKBK0000958

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of "Biocon Limited – 2025 – QIP Escrow Account". Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bid/Issue Period, i.e., prior to the Bid/Issue Closing Date. **The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.**

DEPOSITORY ACCOUNT DETAILS																													
Depository Name (Please ✓)	National Security Depository Limited									Central Depository Services (India) Limited																			
Depository Participant Name																													
DP – ID	I	N																											
Beneficiary Account Number										(16-digit beneficiary account. No. to be mentioned above)																			
The Demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. **However, for the purpose of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered.**																													

The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank account details provided by them. The Company and the Lead Managers shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	
NO. OF EQUITY SHARES BID		**PRICE PER EQUITY SHARE (RUPEES)**	
(In figures)	(In words)	(In figures)	(In words)
BID AMOUNT (RUPEES)			
(In Figures)		(In Words)	

DETAILS OF CONTACT PERSON	
NAME	

ADDRESS			
TEL. NO.		**FAX NO.**	
EMAIL			

OTHER DETAILS	
PAN*	
Legal Entity Identifier Code ("LEI")	
Date of Application	
Signature of Authorised Signatory *(may be signed either physically or digitally)***	

ENCLOSURES ATTACHED

Attested / certified true copy of the following:

- ☐ Copy of PAN Card or PAN allotment letter*
- ☐ Copy of FPI Registration Certificate /MF Registration certificate / SEBI certificate of registration for AIFs/VCF/SI-NBFC/IC/IF
- ☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a Scheduled Commercial Bank
- ☐ Copy of notification as a public financial institution
- ☐ FIRC
- ☐ Copy of IRDAI registration certificate
- ☐ Intimation of being part of the same group
- ☐ Certified true copy of power of attorney
- ☐ Other, please specify

* *It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.*

** *A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.*

*** *The Application Form is liable to be rejected if any information provided is incomplete and / or inadequate.*

Note:

(1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and PD, unless specifically defined herein.

(2) The application form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company in consultation with the Lead Managers. The duly filed Application Form along with all enclosures shall be submitted to the Lead Managers either through electronic form at the email mentioned in the PPD or through physical deliver at the address mentioned in PPD.

(3) This Application Form, the PPD and the PD sent to you/ be sent to you, either in physical form or electronic form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.