Biocon Limited
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CIN : L24234KA1978PLC003417

www.biocon.com

BIO/SECL/EA/2025-26/40

June 16, 2025

To The Manager, **BSE Limited** Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	To The Manager, **National Stock Exchange of India Limited** Corporate Communication Department Exchange Plaza, Bandra Kurla Complex Mumbai – 400 050
Scrip Code - 532523	**Scrip Symbol - BIOCON**

Dear Sir/ Madam,

Subject: Intimation of the approval of the audited consolidated financial statements for the financial year ended March 31, 2025.

Re: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

We wish to inform you that the Board of Directors of the Company at its meeting held on Thursday, May 08, 2025 has approved the audited consolidated financial statements read with the notes and schedules thereto, along with the audit report thereon for the financial year ended March 31, 2025, prepared in accordance with the requirements of the Companies Act, 2013 and Indian Accounting Standards (Ind-AS). A copy of the audited consolidated financial statements of the Company along with the audit report are enclosed herewith.

Please note that the audited consolidated financial statements read with the notes and schedules thereto, along with the audit report thereon for the financial year ended March 31, 2025, remain subject to approval of the shareholders' at the ensuing Annual General Meeting of the Company scheduled to be held on August 08, 2025.

We request you to take the above on record and the same be treated as compliance under Regulation 30 and the other applicable provisions of the SEBI Listing Regulations.

The above information will also be available on the website of the Company at www.biocon.com.

Kindly take the same on record and acknowledge.

Thanking You,

Yours faithfully,

For **Biocon Limited**

SIDDHARTH MITTAL Digitally signed by SIDDHARTH MITTAL Date: 2025.06.16 09:33:13 +05'30'

Siddharth Mittal
Managing Director & CEO
DIN: 03230757

Encl. as above

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
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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	L24234KA1978PLC003417	Holding	3(ix)(d)
2	Syngene Scientific Solutions Limited	U73200KA2022PLC164804	Subsidiary	3(ix)(d)
3	Syngene Manufacturing Solutions Limited	U24290KA2022PLC165409	Subsidiary	3(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

Place: Mumbai

Date: 08 May 2025

Membership No.: 041870

ICAI UDIN:25041870BMOMLG1589

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

Sadhi 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

Bengaluru
May 08, 2025

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**

BSR & Co. LLP

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
Balances with banks - 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.

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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, 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	

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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.

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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.

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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-

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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.

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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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Biocon Limited
Notes to consolidated financial statements for the year ended March 31, 2025
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

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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Notes to consolidated financial statements for the year ended March 31, 2025
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

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	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:

Projects in progress	To be completed in				
	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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(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

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

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	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:

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	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

Particulars	Right-of-use assets			
	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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Notes to consolidated financial statements for the year ended March 31, 2025
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

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

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

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 utilised 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

From banks/ financial institutions	March 31, 2025	March 31, 2024
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**

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

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

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

	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

	Year ended March 31, 2025	Year ended March 31, 2024
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

	Year ended March 31, 2025	Year ended March 31, 2024
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

	Year ended March 31, 2025	Year ended March 31, 2024
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

	Year ended March 31, 2025	Year ended March 31, 2024
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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(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

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

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

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%

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

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

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

	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.

	March 31, 2025	March 31, 2024
(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. 246 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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(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

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

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 b y 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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BIOCON LIMITED BANGALORE

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

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

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

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

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

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 liabilities	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)	-	-

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

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**

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

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

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

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

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)

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Biocon Limited
Notes to consolidated financial statements for the year ended March 31, 2025
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

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

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 *