

Biocon Biologics Limited

CIN: U24119KA2016PLC093936

Biocon House, Tower-3,
Semicon Park Electronic City, Phase - II,
Hosur Road, Bengaluru, Karnataka 560100 IN**T** +91 080-6775 6775, **F** +91 080-6775 1030**E** contact@bioconbiologics.comwww.bioconbiologics.com

June 30, 2026

Singapore Exchange Securities Trading Limited

4 Shenton Way # 02-01

SGX Centre 2 Singapore 068807

Dear Sir/Madam,

Subject: Consolidated financial statements ('financial statements') of Biocon Biologics Limited ("the Company") for the quarter and year ended March 31, 2026.

We wish to inform you that the Board of Directors of Biocon Biologics Limited at its meeting held on May 7, 2026, has considered and approved the financial statements of the Company for the quarter and year ended March 31, 2026.

A copy of the financial statements is enclosed herewith.

Kindly take the same on record and acknowledge.

Thanking you

Your faithfully

For Biocon Biologics Limited

Akhilesh Nand

Company Secretary

Membership No. ACS 13669

Encl: as above

Independent Auditor's Report

To the Members of Biocon Biologics Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Biocon Biologics Limited (hereinafter referred to as the "Holding Company"), its employees welfare trust and its subsidiaries (Holding Company, its employees welfare trust and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2026, 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 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 as at 31 March 2026, of its consolidated loss 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 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 audit report of the other auditor referred to in paragraph (a) of the "Other Matter" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

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

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

Registered Office

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-81811) with effect from October 14, 2013

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

Independent Auditor's Report (Continued)

Biocon Biologics Limited

true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which

Independent Auditor's Report (Continued)

Biocon Biologics Limited

has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit 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 Matter" in this audit report.

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

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

Other Matter

- a. We did not audit the financial information of one subsidiary, whose financial information reflects total assets (before consolidation adjustments) of Rs.44,400 million as at 31 March 2026, total revenues (before consolidation adjustments) of Rs. 17,215 million and net cash flows (before consolidation adjustments) amounting to Rs. 216 million (inflow) for the year ended on that date, as considered in the consolidated financial statements. These financial information have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and 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 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 the above matter with respect to our reliance on the work done and the report of the other auditor and the financial information certified by the management.

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 report of the other auditor on separate financial statements of such subsidiary, as was audited by other auditor, as noted in the "Other Matter" paragraph, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of

Independent Auditor's Report (Continued)

Biocon Biologics Limited

- those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 01 April 2026 to 20 April 2026 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company, is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary, as noted in the "Other Matter" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group. Refer Note 35 (i) 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 31 to the consolidated financial statements in respect of such items as it relates to the Group.
 - c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2026.
 - d (i) The management of the Holding Company represented to us that, to the best of its knowledge and belief, as disclosed in the Note 41 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 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 ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management of the Holding Company represented to us that, to the best of its knowledge and belief, as disclosed in the Note 41 to the consolidated financial statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company 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.

Independent Auditor's Report (Continued)

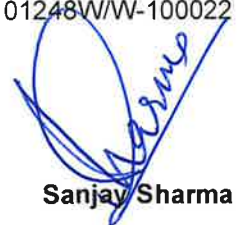
Biocon Biologics Limited

- (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 Holding Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, except for the instances mentioned below, the Holding Company which is 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 except that the audit trail was not enabled:
- (a) In respect of the Holding Company, the feature of recording audit trail (edit log) facility was not enabled (i) at the application level for certain fields/tables relating to all the significant processes and (ii) for certain changes at the application level which were performed by users having privileged access rights for the accounting software used for maintaining general ledger.
- (b) In respect of the Holding 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, 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, the audit trail has been preserved by the Company and above referred subsidiaries as per the statutory requirements for record retention.
- C. In our opinion and according to the information and explanations given to us the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company 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


Sanjay Sharma

Partner

Place: Bengaluru

Date: 07 May 2026

Membership No.: 063980

ICAI UDIN: 26063980DTWGQT8160

B S R & Co. LLP

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Biocon Biologics Limited for the year ended 31 March 2026

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

- (xxi) According to the information and explanations given to us and based on our examination, there are no companies included in the consolidated financial statements of the Holding Company which are companies incorporated in India except the Holding Company. The Companies (Auditor's Report) Order, 2020 of the Holding Company did not include any unfavourable answers or qualifications or adverse remarks.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022


Sanjay Sharma
Partner

Place: Bengaluru

Date: 07 May 2026

Membership No.: 063980

ICAI UDIN:26063980DTWGQT8160

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Biocon Biologics Limited for the year ended 31 March 2026

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 Biologics Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company, a company incorporated in India under the Companies Act, 2013, as of that date.

In our opinion, the Holding Company, 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 2026, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The Holding 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 Holding 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 Holding 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 Biologics Limited for the year ended 31 March 2026
(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.:101248WW-100022



Sanjay Sharma
Partner

Place: Bengaluru

Date: 07 May 2026

Membership No.: 063980

ICAI UDIN:26063980DTWGQT8160

BIOCON BIOLOGICS LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2026
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

	Note	March 31, 2026	March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	44,700	42,853
Capital work-in-progress	3(a)	23,497	16,679
Right-of-use assets	3(b)	1,208	1,391
Goodwill	3(c)	1,83,511	1,67,593
Other Intangible assets	4	79,398	57,590
Intangible assets under development	4	22,702	43,119
Financial assets			
(i) Investments	9(a)	50	27
(ii) Derivative assets		146	117
(iii) Other financial assets	5(a)	844	824
Income tax assets (net)		3,172	761
Deferred tax assets (net)	6	2,419	3,645
Other non-current assets	7(a)	3,61,647	3,34,599
Total non-current assets			
Current assets			
Inventories	8	45,244	33,333
Financial assets			
(i) Investments	9(b)	544	1,118
(ii) Trade receivables	10	44,055	42,831
(iii) Cash and cash equivalents	11	19,077	21,823
(iv) Bank balances other than (iii) above	11	1,525	4,613
(v) Derivative assets		48	268
(vi) Other financial assets	5(b)	1,482	969
Other current assets	7(b)	5,126	3,900
Total current assets			
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12(a)	16,100	13,217
Other equity	12(b)	2,26,736	1,83,711
Total equity			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	13	1,11,266	1,06,326
(ii) Lease liabilities	27	998	1,197
(iii) Derivative liabilities		101	1,172
(iv) Other financial liabilities	18(a)	5,550	14,096
Provisions	14(a)	2,441	1,803
Deferred tax liabilities (net)	6	2,414	2,612
Other non-current liabilities	15(a)	2,320	670
Total non-current liabilities			
Current liabilities			
Financial liabilities			
(i) Borrowings	16	37,379	53,618
(ii) Lease liabilities	27	499	502
(iii) Trade payables	17		
-Total outstanding dues of micro and small enterprises		522	268
-Total outstanding dues of creditors other than micro and small enterprises		56,610	53,633
(iv) Derivative liabilities		1,153	394
(v) Other financial liabilities	18(b)	7,082	6,331
Other current liabilities	15(b)	4,279	2,620
Provisions	14(b)	900	788
Current tax liabilities (net)		2,398	496
Total current liabilities			
TOTAL LIABILITIES			
TOTAL EQUITY AND LIABILITIES			
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

Sanjay Sharma
Partner
Membership No.: 063980

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

Shreehas P Tambe
CEO and Managing Director
DIN: 09796480

Kedar Upadhye
Chief Financial Officer

Bengaluru
Date: May 07, 2026

Arun Chandavarkar
Director
DIN: 01596180

Akhilesh Kumar Nand
Company Secretary
Membership No.: A13669

Bengaluru
Date: May 07, 2026



BIOCON BIOLOGICS LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

	Note	Year ended March 31, 2026	Year ended March 31, 2025
Income			
Revenue from operations	19		
Sale of products		1,03,584	88,884
Sale of services		519	801
Other operating revenue		210	489
Other income	20	1,849	11,270
Total income		1,06,162	1,01,444
Expenses			
Cost of raw materials and packing materials consumed	21	29,067	18,559
Purchases of traded goods		13,626	6,266
Changes in inventories of finished goods, traded goods and work-in-progress	22	(9,684)	5,726
Employee benefits expense	23	17,691	15,619
Finance costs	24	9,474	8,249
Depreciation and amortisation expense	25	13,183	11,149
Other expenses	26	29,085	26,345
		1,02,442	91,913
Less: Recovery of cost from co-development partners		(1,131)	(1,345)
Total expenses		1,01,311	90,568
Profit before tax and exceptional items		4,851	10,876
Exceptional items	39	(11,980)	806
(Loss)/Profit before tax		(7,129)	11,682
Tax expenses/(credit)	29		
Current tax		3,355	2,046
Deferred tax (credit)/charge			
Minimum alternative tax (credit)/charge		(495)	304
Other deferred tax (credit)/charge		(2,270)	436
Total tax expenses		590	2,786
(Loss)/Profit for the year		(7,719)	8,896
Other comprehensive (loss) / income (OCI)			
(i) Items that will not be reclassified subsequently to profit or loss			
Re-measurement losses on defined benefit plans		(74)	(44)
Income tax effect		26	15
		(48)	(29)
(ii) Items that may be reclassified subsequently to profit or loss			
Effective portion of (losses)/ gains on hedging instrument in cash flow hedges		(133)	(1,244)
Exchange difference on translation of foreign operations		18,507	5,013
Income tax effect		51	344
		18,425	4,113
Other comprehensive income for the year, net of tax		18,377	4,084
Total comprehensive income for the year		10,658	12,980
Earnings per equity share			
Basic (in Rs)	36	(4.79)	5.69
Diluted (in Rs)		(4.79)	5.52

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


Sanjay Sharma
Partner
Membership No.: 063980


Shreehas P Tambe
CEO and Managing Director
DIN: 09796480


Arun Chandavarkar
Director
DIN: 01596180


Kedar Upadhye
Chief Financial Officer


Akhilesh Kumar Nand
Company Secretary
Membership No.: A13669

Bengaluru
Date: May 07, 2026

Bengaluru
Date: May 07, 2026



BIOCON BIOLOGICS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026
(All amounts are in Indian Rupees million, except share data and per share data, unless otherwise stated)

	Year ended March 31, 2026	Year ended March 31, 2025
I Cash flows from operating activities		
(Loss)/Profit for the year	(7,719)	8,896
<u>Adjustments to reconcile profit/(loss) for the year to net cash flows</u>		
Depreciation and amortisation expense	13,182	11,149
Tax expense	590	2,786
Finance costs	9,474	8,249
Employee stock compensation expense (refer note 38)	574	535
Allowance for credit loss and bad debts	143	250
Net gain on sale of current investments	(100)	(123)
Sale of business (net) (refer note 20)	-	(10,573)
Provision for decline, other than temporary, in the value of non-current investments	25	25
Net loss/ (gain) on financial assets/liabilities designated at fair value through profit or loss	(790)	796
Unrealised foreign exchange (gain) / loss	272	(1,286)
Interest income	(380)	(474)
Loss on sale of asset	95	-
Exceptional expenses (non-cash) (refer note 39)	9,840	1,216
Operating profit before working capital changes	25,206	21,446
Movements in working capital		
Decrease / (Increase) in inventories	(9,856)	3,678
Decrease / (Increase) in trade receivables	7,411	5,593
(Decrease) / Increase in trade payables, other financial & non financial liabilities and provisions	(3,215)	(1,083)
(Increase) in other assets	(3,787)	(3,113)
Cash generated from operations	15,759	26,521
Income taxes paid (net of refunds)	(1,428)	(2,792)
Net cash flow generated from operating activities	14,331	23,729
II Cash flows from investing activities		
Purchase of property, plant and equipment including Capital work-in-progress	(7,532)	-6,770
Purchase of other intangible assets and intangible assets under development	(655)	-1,208
Sale of business (refer note 20)	-	11,420
Purchase of non current investments	-	-25
Purchase of current investments	(27,813)	-36,348
Proceeds from sale of current investments	28,507	35,371
Investment in Unquoted equity instruments	(25)	-
Redemption/ (Investment) of fixed deposit with original maturity more than 3 months	3,020	-4,000
Interest received	871	189
Net cash flow (used in) investing activities	(3,627)	(1,371)
III Cash flows from financing activities		
Proceeds from issuance of debentures [refer note 13 (d), (e) and (f)]	-	11,900
Proceeds from non-current borrowings	-	95,569
Repayment of non-current borrowings	(2,469)	(97,282)
Proceeds/ (repayment) from current borrowings (net)	(3,873)	3,907
Proceeds from issue of equity shares on exercise of options	4	-
Payment towards buyback of equity shares	(45)	-
Payment of deferred consideration related to acquisition of biosimilars business from Viatrix	-	(16,881)
Repayment of lease liabilities	(910)	(738)
Interest paid	(7,685)	(5,675)
Net cash flow (used in) financing activities	(14,978)	(9,200)
IV Net (Decrease) /increase in cash and cash equivalents (I + II + III)	(4,274)	13,158
V Effect of exchange differences on cash and cash equivalents held in foreign currency	1,511	239
VI Cash and cash equivalents at the beginning of the year	18,790	5,393
VII Cash and cash equivalents at the end of the year (IV + V + VI)	16,027	18,790
Reconciliation of cash and cash equivalents as per statement of cash flow		
Cash and cash equivalents (Note 11)		
Balances with banks - on current accounts	7,274	10,630
Deposits with original maturity of less than 3 months	11,803	11,193
	19,077	21,823
Cash credits (note 16)	(3,050)	(3,033)
Balance as per statement of cash flows	16,027	18,790



BIOCON BIOLOGICS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026
(All amounts are in Indian Rupees million, except share data and per share data, unless otherwise stated)

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

Particulars	Opening balance as at April 1, 2025	Cash flows	Non-cash movement			Closing balance as at March 31, 2026
			Effect of changes in Foreign Exchange rates	Changes in Fair Value	Other changes	
Non-current borrowings (including current maturities)	1,35,377	(2,469)	8,699	322	(14,215)	1,27,714
Current borrowings	21,534	(3,873)	220	-	-	17,881
Interest accrued but not due	2,436	168	-	-	-	2,604
Lease liabilities (including current)	1,699	(910)	57	-	651	1,497
Total liabilities from financing activities	1,61,046	(7,084)	8,976	322	(13,564)	1,49,696

Particulars	Opening balance April 1, 2024	Cash flows	Non-cash movement			Closing balance March 31, 2025
			Effect of changes in Foreign Exchange rates	Changes in Fair Value	Other changes	
Non-current borrowings (including current maturities)	1,18,235	10,187	2,419	895	3,641	1,35,377
Current borrowings	17,544	3,907	83	-	-	21,534
Interest accrued but not due	145	2,291	-	-	-	2,436
Lease liabilities (including current)	2,007	(738)	(1)	-	431	1,699
Total liabilities from financing activities	1,37,931	15,647	2,501	895	4,072	1,61,046

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

Sanjay Sharma
Partner
Membership No.: 063980

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



Shreehas P Tambe
CEO and Managing Director
DIN: 09796480



Kedar Upadhye
Chief Financial Officer



Arun Chandavarkar
Director
DIN: 01596180



Akhilesh Kumar Nand
Company Secretary
Membership No.: A13669

Bengaluru
Date: May 07, 2026

Bengaluru
Date: May 07, 2026



BIOCON BIOLOGICS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026
 (All amounts are in Indian Rupees million, except share data and per share data, unless otherwise stated)

	March 31, 2026	March 31, 2025	Reserves and surplus																	Other comprehensive (loss) /income		
			Equity portion of preference shares [refer note 13 (b)]	Compulsorily Convertible Preference Shares classified as a Equity Instrument	Equity portion of Compulsorily Convertible Debentures	Redeemable Optionally Convertible Debentures ("OCD")	Securities Premium	Retained earnings	Amalgamation adjustment reserve	Debiture redemption reserve	Capital redemption reserve	Treasury Shares	Fair value reserve for Compound Financial Instrument	Employee stock option outstanding reserve	Other reserve	Cash flow hedging reserves	Foreign currency translation reserve	Re-measurement losses on defined benefit plans	Total other equity			
(A) Equity share capital																						
Opening balance	13,217	13,217																				
Changes during the year [refer note 12 (a)]	2,883	-																				
Closing balance	16,100	13,217																				
(B) Other equity																						
Particulars																						
Balance at April 01, 2024	100	2,812	2,850	-			1,55,327	4,447	(1,348)	1,363	1,292	(13)	(1,039)	1,589	-	645	4,761	(94)	1,70,192			
Profit for the year	-	-	-	-	-	-	8,896	-	-	-	-	-	-	-	-	-	-	-	8,896			
Other comprehensive (loss) / income, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(100)	5,013	(79)	4,084			
Total comprehensive income for the year	-	-	-	-	-	-	8,896	-	-	-	-	-	-	-	-	(100)	5,013	(79)	12,980			
Transactions recorded directly in equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Transfer from debenture redemption reserve	-	-	-	-	-	-	-	(1,636)	-	1,636	-	-	-	-	-	-	-	-	-			
Issue of equity shares on exercise of options	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Employee stock compensation expense [refer note 38]	-	-	-	-	-	-	-	-	-	-	-	-	-	595	-	-	-	-	4			
Balance at March 31, 2025	100	2,812	2,850	-			1,55,327	11,707	(1,348)	2,999	1,292	(9)	(1,039)	2,124	-	(255)	9,774	(123)	1,83,711			
Loss for the year	-	-	-	-	-	-	-	(7,719)	-	-	-	-	-	-	-	-	-	-	(7,719)			
Other comprehensive (loss) / income, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(82)	18,507	(48)	18,377			
Total comprehensive (loss) / income for the year	-	-	-	-	-	-	-	(7,719)	-	-	-	-	-	-	-	(82)	18,507	(48)	10,658			
Transactions recorded directly in equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Transfer from debenture redemption reserve [Refer 12(b)]	-	-	-	-	-	-	-	-	-	(1,309)	-	-	-	-	-	-	-	-	16,343			
Recapitalisation of OCD [Refer 13(c)]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	715			
Reclassification of derivative liability [Refer note 13 (e)]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Transfer to Capital redemption reserve [Refer note 12(a)(iv)]	-	-	-	-	-	-	(45)	-	-	45	-	-	-	-	-	-	-	-	-			
Conversion of CCPS to equity shares [Refer note 12(a)(iii)(c)]	-	-	-	-	-	-	16,940	-	-	-	-	-	-	-	-	-	-	-	14,628			
Compulsorily convertible debenture classified as Equity [Refer note 13(b)]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	150			
Issue of equity shares on exercise of options	-	-	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	4			
Employee stock compensation expense [Refer note 38]	-	-	-	-	-	-	-	(47)	-	-	-	-	-	1,307	-	-	-	-	1,260			
Tax withholding related to vesting of restricted stock units [Refer note 38]	-	-	-	-	-	-	-	-	-	-	-	-	-	(497)	-	-	-	-	(497)			
Settlement of vested restricted stock units in cash [Refer note 38]	-	-	-	-	-	-	-	-	-	-	-	-	-	(236)	-	-	-	-	(236)			
Dividend contribution [Refer note 12 (b)]	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,271)	2,271	-	-	-	-			
Balance at March 31, 2026	100	-	3,000	16,443	1,70,222	5,350	(1,348)	1,690	1,337	(5)	(1,039)	(37)	(34)	427	2,271	(337)	28,281	(171)	2,26,736			

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: 01248W/W-100022

Sanjay Sharma

Partner

Membership No.: 653980

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

Shreehas P Tambe

CEO and Managing Director

DIN: 09796480

Arun Chandra

Director

DIN: 01594180

Kedar Upadhyay

Chief Financial Officer

Akhilesh Kumar Hand

Company Secretary

Membership No.: A13669

Bengaluru

Date: May 07, 2026



BIOCON BIOLOGICS LIMITED

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

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

1. Company overview

1.1 Reporting entity

Biocon Biologics Limited ("BBL" or the "parent company" or "the Company"), a subsidiary of Biocon Limited, together with its subsidiaries and trust (collectively, the "Group"), is engaged in manufacture and development of pharmaceutical formulations. The Company is a public limited company incorporated and domiciled in India and has its registered office at Biocon House, Semicon Park, Electronics City, Phase – II, Hosur Road, Bengaluru – 560 100. The Corporate Identification Number of Company is U24119KA2016PLC093936.

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 as amended from time to time, 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 on a going concern basis on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2026.

These consolidated financial statements are approved for issuance by the Company's Board of Directors on May 7, 2026.

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

b) Functional and presentation currency

These consolidated financial statements are presented in Indian rupees (INR), which is also the functional currency of the parent Company. All amounts have been rounded-off to the nearest million, unless otherwise indicated. In respect of subsidiaries 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, except for the following items:

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



BIOCON BIOLOGICS LIMITED**Notes to the consolidated financial statements for the year ended March 31, 2026****(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)****Judgements**

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

- Note 1.2(b) — Assessment of functional currency;
- Note 2(c) and 31 — Financial instruments;
- Note 2(n), 2(k), 6 and 35 — Provision for income taxes and related tax contingencies – Judgements in assessing the range of possible outcome of tax matters.
- Note 2(l) and 19 — Revenue Recognition: whether revenue from sale of products and licensing income is recognised over time or at a point in time;

1.3 Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities is included in the following notes:

- Note 2(i)(ii) – impairment test of non-financial assets; key assumptions underlying recoverable amounts;
- Note 6 and 29 – recognition of deferred tax assets and MAT credit: availability of future taxable profits against which tax losses carried forward can be used;
- Note 2(d), 2(e) and 3 — Useful lives of property, plant and equipment and other intangible assets;
- Note 2(l) and 19 – Revenue Recognition; estimate of expected returns, chargebacks, rebates and other allowances;
- Note 2(j) and 30 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 31 – impairment of financial assets;
- Note 14 and 35 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 38 – Employee stock compensation;
- Note 2(i) and 3(c) – impairment test of goodwill: key assumptions underlying recoverable amounts, including the recoverability of development costs; and
- Note 2(h) and 8 – provision for obsolete and slow moving inventories

1.4 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).

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

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

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

- Note 31 – financial instruments
- Note 38 – Employee stock compensation



BIOCON BIOLOGICS LIMITED

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

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

1.5 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 the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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.



BIOCON BIOLOGICS LIMITED**Notes to the consolidated financial statements for the year ended March 31, 2026****(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)****iii. Associates and joint arrangements (equity accounted investees)**

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of

profit or loss and other comprehensive income (OCI) of equity-accounted investees until the date on which significant influence or joint control ceases.

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.

Trade receivables generally do not contain any significant financing component requiring separation and are therefore recognized initially at the transaction price determined as per Ind AS 115 "Revenue from Contracts with Customers".



BIOCON BIOLOGICS LIMITED**Notes to the consolidated financial statements for the year ended March 31, 2026****(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)****ii. Classification and subsequent measurement***Financial assets*

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

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

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

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

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

Financial assets: Subsequent measurement and gains and losses

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



BIOCON BIOLOGICS LIMITED**Notes to the consolidated financial statements for the year ended March 31, 2026****(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)**

Financial liabilities: Classification, subsequent measurement and gains and losses

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

Compound financial instruments:

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

iii. Derecognition*Financial assets*

The 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.

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

Financial liabilities

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

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

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the 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.

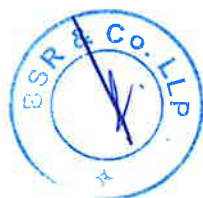
v. Derivative financial instruments and hedge accounting

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.



BIOCON BIOLOGICS LIMITED**Notes to the consolidated financial statements for the year ended March 31, 2026****(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)*****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. Cash and cash equivalents

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

viii. 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.



BIOCON BIOLOGICS LIMITED**Notes to the consolidated financial statements for the year ended March 31, 2026****(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)****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 the cost of materials and direct labor, any other costs including import duty, and other non-refundable taxes or levies that are directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

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

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

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

ii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the 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	Management estimate of useful life	Useful life as per Schedule II
Building	25-30 years	30 years
Roads	5-12 years	5 years
Plant and equipment (including Electrical installation and Lab equipment)	9-15 years	8-20 years
Computers and servers	3 years	3-6 years
Office equipment	3-5 years	5 years
Research and development equipment	9-10 years	5-10 years
Furniture and fixtures	6 years	10 years
Vehicles	6 years	6-10 years
Leasehold improvements	5 years or lease period whichever is lower	

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

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

iii. Reclassification to investment property

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



BIOCON BIOLOGICS LIMITED**Notes to the consolidated financial statements for the year ended March 31, 2026****(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)****e. Intangible assets***Internally generated: Research and development*

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

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the 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 and loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

Others

Other intangible assets are initially measured at cost. The cost of intangible assets acquired in a business combination is recognised at fair value at the date of acquisition. Subsequently, such intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

i. Subsequent expenditure

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

ii. Amortisation

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

— Computer software	3-5 years
— Marketing and Manufacturing rights	8-15 years
— Developed technology rights	8-15 years
— Brands	8-15 years

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

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.

Any gain or loss on disposal of an investment property is recognised in statement of profit and loss.

g. Business combination and Goodwill

The Group accounts for Business Combination using the acquisition method when the acquired set of activities and assets meets the definition of a business and 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 output.

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.



BIOCON BIOLOGICS LIMITED**Notes to the consolidated financial statements for the year ended March 31, 2026****(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)**

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.

Goodwill is initially measured at cost, being the excess of consideration transferred over the fair value of Group's share of identifiable net assets acquired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. 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.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group reports in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Group retrospectively adjusts the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

During the measurement period, the Group also recognises additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date.

The measurement period ends as soon as the Group receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable but does not exceed one year from the acquisition date.

Business combinations – common control transaction

Business combination involving entities that are controlled by the group is accounted for at carrying value. No adjustments are made to reflect the fair values, or recognise any new assets or liabilities except to harmonise accounting policies. The financial information in the consolidated financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of combination. The identity of the reserves are preserved and the reserves of transferor becomes the reserves of the transferee. The difference, if any between the amounts recorded as share capital issued plus any additional consideration in the form of cash and the amounts of share capital of the transferor is transferred to amalgamation adjustment reserves and is presented separately from other capital reserves.

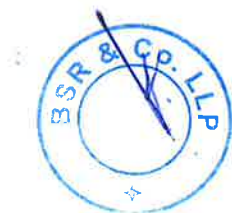
h. Inventories

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

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.



BIOCON BIOLOGICS LIMITED**Notes to the consolidated financial statements for the year ended March 31, 2026**

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

i. Impairment**i. Impairment of financial assets**

In accordance with Ind AS 109, 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.

ii. Impairment of non-financial assets

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

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

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

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

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

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.

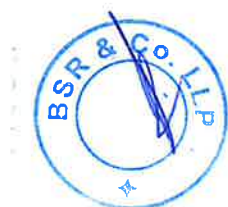
ii. Post-employment benefits:

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

Defined benefits plans - Gratuity

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



BIOCON BIOLOGICS LIMITED**Notes to the consolidated financial statements for the year ended March 31, 2026****(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)**

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.

Defined Contribution plans -Provident Fund

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

Defined Contribution plans – Other funds

The Company's contributions to other funds are charged to the consolidated statement of profit and loss as and when the services are received from the employees.

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 in the period in which the absences occur. The obligations are presented as current liabilities in the Balance sheet if the Group does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

iv. Employee stock compensation

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee benefits 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 benefit expense.

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

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

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

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



BIOCON BIOLOGICS LIMITED**Notes to the consolidated financial statements for the year ended March 31, 2026**

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

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***i. Sale of goods***

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the delivery and acceptance terms agreed with the customers. However, in certain cases, revenue is recognized on sale of products where shipment is on hold at specific request of the customer provided performance obligation conditions has been satisfied and control is transferred, with customer taking title of the goods. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices.

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

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. Invoices are usually payable within 60-120 days

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). Provision for sales return is presented under the head "Provisions"

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 Group. 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.



BIOCON BIOLOGICS LIMITED**Notes to the consolidated financial statements for the year ended March 31, 2026****(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)****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 we have continuing performance obligations, if the milestones are not considered substantive. Whether to consider these commitments as a single performance obligation or separate ones, or even being in scope of Ind-AS 115 '*Revenues from Contracts with Customers*', is not straightforward and requires some judgement. Depending on the conclusion, this may result in all revenue being calculated at inception and either being recognised at point in time or spread over the term of a longer performance obligation. Where performance obligations may not be distinct, this will be bundled with the subsequent product supply obligations. The new standard provides an exemption for sales-based royalties for licenses of intellectual property which will continue to be recognised as revenue as underlying sales are incurred.

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

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

iii. Research services

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

iv. Royalty income and profit share

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

v. Sales return allowances

The 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

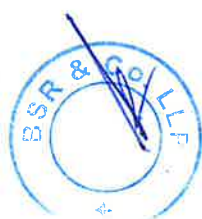
Dividend is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

vii. 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.

viii. Interest income and expense

Interest income or expense is recognised using the effective interest method.



BIOCON BIOLOGICS LIMITED**Notes to the consolidated financial statements for the year ended March 31, 2026****(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)****m. Government grants**

The Group recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Government grants received in relation to assets are recognised as deferred income and amortised over the useful life of such asset. Government grants, which are revenue in nature are either recognised as income or deducted in reporting the related expense based on the terms of the grant, as applicable.

n. Income taxes

Income tax comprises current and deferred income tax. Income tax expense is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity in which case it is recognised in other comprehensive income. Current income tax for current year and prior periods is recognised at the amount expected to be paid or recovered from the tax authorities, using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis.

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated 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 realised.

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

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

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. Other borrowing costs are recognised as an expense in the period in which they are incurred.

p. 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.



BIOCON BIOLOGICS LIMITED**Notes to the consolidated financial statements for the year ended March 31, 2026****(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)**

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.

q. Earnings per equity share

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

r. Recovery of cost from co-development partners

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

s. Exceptional items

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



BIOCON BIOLOGICS LIMITED**Notes to the consolidated financial statements for the year ended March 31, 2026**

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

t. 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. In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 - The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date, and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. Further, the amendment also clarifies the classification of liability that could, at the option of counterparty, result in its settlement by transfer of the entity's own equity instruments. The Group has reassessed the classification of borrowings based on aforesaid amendments and accordingly, certain borrowings, earlier classified as non-current financial liabilities have been reclassified to current financial liabilities. This reclassification has been made retrospectively in accordance with Ind AS 8 – Accounting policies, changes in accounting estimates and errors, and the comparative financial statements as at March 31, 2025 has been reclassified accordingly. Refer Note 13.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments - Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.
3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief. Such disclosures are to be provided for annual reporting periods beginning on or after April 1, 2025. The Group has determined that it does not have any significant impact in its financial statements.

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

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



BIOCON BIOLOGICS LIMITED

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

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

3.1a. Property, plant and equipment and Capital work-in-progress

Particulars	Land	Buildings	Leasehold improvements	Plant and equipment [Refer note (a)]	Research and development equipment	Furniture and fixtures	Vehicles	Total	Capital work-in-progress [Refer note (b)]
Gross carrying amount									
At April 01, 2024	1,502	8,492	2,686	41,988	2,726	669	76	58,139	18,891
Additions	-	85	933	8,295	124	136	45	9,618	7,186
Disposals/transfers	-	-	-	(140)	(101)	-	(31)	(272)	(9,618)
Other adjustments	38	212	-	476	-	3	-	729	220
At March 31, 2025	1,540	8,789	3,619	50,619	2,749	808	90	68,214	16,679
Additions	-	23	556	4,790	201	85	12	5,667	10,676
Disposals/transfers	-	-	(17)	(337)	(46)	-	-	(400)	(4,908)
Other adjustments	-	-	-	-	-	-	-	-	-
At March 31, 2026	1,540	8,789	3,619	50,619	2,749	808	90	68,214	16,679
Accumulated Depreciation									
At April 01, 2024	-	2,141	231	17,038	1,468	348	28	21,254	-
Charge for the year	-	327	180	3,210	222	96	12	4,047	-
Disposals during the year	-	-	-	(139)	(72)	-	(17)	(228)	-
Other adjustments	-	-	-	-	-	-	-	-	-
At March 31, 2025	-	2,524	411	20,339	1,618	446	23	25,361	-
Charge for the year	-	344	220	3,858	235	115	13	4,785	-
Disposals during the year	-	-	(14)	(269)	(44)	-	-	(327)	-
Other adjustments	-	-	-	-	-	-	-	-	-
At March 31, 2026	-	3,130	617	24,957	1,809	570	36	31,119	-
Net carrying amount									
At March 31, 2025	1,540	6,265	3,208	30,280	1,131	362	67	42,853	16,679
At March 31, 2026	1,685	6,511	3,541	31,463	1,095	339	66	44,700	23,497

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

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

(c) For details on security on certain property, plant and equipment, refer note 13.

(d) Borrowing cost capitalised during the year amounted to Rs 1,138 (March 31, 2025: Rs 2,739) calculated at a rate of 6.86% (March 31, 2025: 7.48%).

(e) Refer note 35(ii) for contractual commitments for purchase of property, plant and equipment.



BIOCON BIOLOGICS LIMITED

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

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

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

CWIP ageing schedule:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Projects in progress	9,865	6,656	4,806	2,170	23,497
As at March 31, 2026	9,865	6,656	4,806	2,170	23,497
Projects in progress	7,146	4,751	1,738	3,044	16,679
As at March 31, 2025	7,146	4,751	1,738	3,044	16,679

Capital work-in-progress ('CWIP') completion schedule (CWIP whose completion is overdue or has exceeded its cost compared to its original plan)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Projects in progress					
Project 4	5,540	-	-	-	5,540
Project 5	-	13,947	-	-	13,947
As at March 31, 2026	5,540	13,947	-	-	19,487
Projects in progress					
Project 1	2,513	-	-	-	2,513
Project 4	3,876	-	-	-	3,876
As at March 31, 2025	6,389	-	-	-	6,389

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BIOCON BIOLOGICS LIMITED

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

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

3 (b). Right-of-use assets

Particulars	Land	Buildings	Plant and equipment	Vehicles	Total
Gross carrying amount					
At April 01, 2024	53	2,008	1,064	244	3,369
Additions	-	27	-	316	343
Disposals	-	-	-	-93	(93)
Deductions / Adjustments	-	-	-	-	-
Foreign currency translation adjustment	-	4	-	4	8
At March 31, 2025	53	2,039	1,064	471	3,627
Additions	-	37	270	259	566
Disposals	-	-	-	(71)	(71)
Deductions / Adjustments	-	2	-	-	2
Foreign currency translation adjustment	-	13	-	71	84
At March 31, 2026	53	2,091	1,334	730	4,208
Accumulated depreciation					
At April 01, 2024	25	804	860	34	1,723
Depreciation for the year	5	237	175	95	512
Disposals	-	-	-	-	-
Foreign currency translation adjustment	-	1	-	-	1
At March 31, 2025	30	1,042	1,035	129	2,236
Depreciation for the year	5	270	299	159	733
Disposals	-	-	-	(3)	(3)
Foreign currency translation adjustment	-	7	-	27	34
At March 31, 2026	35	1,319	1,334	312	3,000
Net carrying amount					
At March 31, 2025	23	997	29	342	1,391
At March 31, 2026	18	772	-	418	1,208

3 (c). 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 ("CGU") to which goodwill is allocated is impaired

Particulars	March 31, 2026	March 31, 2025
Opening balance	167,593	163,460
Other adjustments		
- Foreign Currency translation adjustment	15,918	4,133
Closing balance	183,511	167,593

For the purposes of impairment assessment, the Group is considered as a single CGU. The recoverable amount of the above CGU has 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:

- Estimated cash flows for ten years, based on management's projections. A longer period is considered as biosimilar business involves longer development and commercialisation cycles.
- A terminal value arrived at by extrapolating the last forecasted year cash flows to perpetuity, using growth rate of 2%. 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.
- The post tax discount rate is 14.5% based on the Company's weighted average cost of capital. The pre tax discount rate is 17.5%.

The recoverable amount of the CGU is estimated to be higher than its carrying amount and no impairment was required. Further, 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 CGU.



BIOCON BIOLOGICS LIMITED

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

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

4. Other Intangible assets and Intangible assets under development

Particulars	Other Intangible assets			Intangible assets under development
	Computer software	Product related intangibles (including Licenses, Brands and Patents)	Total	
Gross carrying amount				
At April 01, 2024	1,686	72,693	74,379	39,341
Additions	318	253	571	1,830
Disposal/transfer	-	-	-	-
Other adjustments	-	-	-	-
- Foreign currency translation adjustment	2	1,355	1,357	1,948
At March 31, 2025	2,006	74,301	76,307	43,119
Additions	242	24,750	24,992	982
Disposal/transfer	-	(5,517)	(5,517)	(24,750)
Other adjustments	-	-	-	-
- Foreign currency translation adjustment	11	17,550	17,561	3,351
At March 31, 2026	2,259	111,084	113,343	22,702
Accumulated amortisation				
At April 01, 2024	526	11,711	12,237	-
Amortisation for the year	317	6,273	6,590	-
Disposal	-	-	-	-
Other adjustments	-	-	-	-
- Foreign currency translation adjustment	2	(112)	(110)	-
At March 31, 2025	845	17,872	18,717	-
Amortisation for the year	349	7,316	7,665	-
Disposal	-	(2,902)	(2,902)	-
Other adjustments	-	-	-	-
- Foreign currency translation adjustment	8	10,457	10,465	-
At March 31, 2026	1,202	32,743	33,945	-
Net carrying amount				
At March 31, 2025	1,161	56,429	57,590	43,119
At March 31, 2026	1,057	78,341	79,398	22,702

(a) Borrowing cost capitalised during the year amounted to Rs Nil (March 31, 2025: Rs 1,782 calculated at a rate of 7.48%).

(b) Refer note 35 (ii) for contractual commitments for purchase of intangible assets.

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BIOCON BIOLOGICS LIMITED

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

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

4. Other intangible assets and intangible assets under development (continued)

Intangible assets under development ageing schedule:

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Projects in progress	230	4	-	22,468	22,702
As at March 31, 2026	230	4	-	22,468	22,702
Projects in progress	2,855	3,935	34,276	2,053	43,119
As at March 31, 2025	2,855	3,935	34,276	2,053	43,119

Intangible assets under development completion schedule (projects whose completion is overdue or has exceeded its cost compared to its original plan)

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Projects in progress					
Project 3	-	-	-	10,708	10,708
As at March 31, 2026	-	-	-	10,708	10,708
Projects in progress					
Project 1	6,962	-	-	-	6,962
Project 2	5,325	-	-	-	5,325
As at March 31, 2025	12,287	-	-	-	12,287

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BIOCON BIOLOGICS LIMITED

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

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

5. Other financial assets**(a) Non-current****Unsecured, considered good**

Deposits

March 31, 2026	March 31, 2025
146	117
146	117

(b) Current**Unsecured, considered good**

Others*

March 31, 2026	March 31, 2025
1,482	969
1,482	969

*Represents rebate and discount receivable from certain vendors.

The Group's exposure of credit and currency risks, and loss allowances are disclosed in note 31.

[Also refer note 28 for details on related party transactions and balances]

6. Deferred tax (liabilities) / assets (net)

Deferred tax liabilities (net)

Deferred tax assets (net)

Total

March 31, 2026	March 31, 2025
(2,414)	(2,612)
3,172	761
758	(1,851)

Deferred tax liabilities

Property, plant and equipments

Other intangible assets

Goodwill

Derivative assets

Gross deferred tax liabilities

March 31, 2026	March 31, 2025
(2,189)	(1,818)
(3,947)	(3,941)
(7,364)	(4,715)
83	-
(13,417)	(10,474)

Deferred tax assets

MAT credit entitlement

Provision for employee benefit

Allowance for doubtful debts

Unutilised tax credits

Derivative liabilities

Deferred revenue

Lease liabilities

Provision for Inventory

Expenses allowed on payment basis

Others

Gross deferred tax assets**Deferred tax (liabilities) (net)**

March 31, 2026	March 31, 2025
1,754	1,327
906	564
29	25
9,075	6,082
65	72
86	43
75	89
1	1
1,975	173
209	247
14,175	8,623
758	(1,851)

7. Other assets**Unsecured considered good, unless otherwise stated****(a) Non-current**

Capital advances

Balances with statutory / government authorities

Prepayments

March 31, 2026	March 31, 2025
403	1,132
995	1,682
1,021	831
2,419	3,645

(b) Current

Balances with statutory / government authorities

Advance to suppliers

Prepayments

March 31, 2026	March 31, 2025
3,082	1,964
653	1,047
1,391	889
5,126	3,900

[Also refer note 28 for details on related party transactions and balances]

8. Inventories

Raw materials, including goods-in-bond

Packing materials

Finished goods

Work-in-progress

Traded goods

March 31, 2026	March 31, 2025
6,682	4,179
3,967	4,243
9,747	5,422
15,652	10,646
9,196	8,843
45,244	33,333



BIOCON BIOLOGICS LIMITED**Notes to consolidated financial statements for the year ended March 31, 2026**

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

8. Inventories (continued)

(a) Inventories includes goods in-transit Rs 1,932 (March 31, 2025: Rs 1,183).

(b) 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 Viatrix's biosimilar business and completion of first anniversary since the exit from the transition service agreement, the Group 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 the 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 loss of Rs. 1,135 (March 31, 2025: gain of Rs. 1,240). These were recognised as an income/expense and included in 'changes in inventories of traded goods, finished goods and work-in-progress' and 'Cost of raw materials and packing materials consumed' in consolidated statement of profit or loss.

9. Investments**March 31, 2026** **March 31, 2025****(a) Non Current****Unquoted shares equity instruments**

Indian Foundation Quality Management - 5,000,000 (March 31, 2025 : 2,500,000) equity shares of INR 10

Less: Provision for decline, other than temporary, in the value of non-current investments

50	25
(50)	(25)
-	-

Aggregate amount of unquoted investments

Aggregate amount of impairment in value of investments

50	25
(50)	(25)

(b) Current**Quoted - Investments at fair value through profit or loss:**

Investment in mutual funds

Investment in Invivyd Inc (formerly, 'Adagio Therapeutics Inc') - 294,000 (March 31, 2025 - 294,000) Common Stock, par value USD 0.0001 each

508	1,103
36	15

544	1,118
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Aggregate market value of quoted investments

Aggregate carrying value of quoted investments

544	1,118
544	1,118

The Group's exposure of credit and currency risks, and loss allowances are disclosed in note 31.

10. Trade receivables**March 31, 2026** **March 31, 2025****Current**

(a) Trade receivables considered good - Unsecured [refer note a below]

(b) Trade receivables - credit impaired

44,055	42,831
391	276
44,446	43,107
(391)	(276)
44,055	42,831

Allowance for expected credit loss

Net trade receivables

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

The Group's exposure of credit and currency risks, and loss allowances are disclosed in note 31.

a) The group has availed invoice purchase facility from the bank 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, 2026, Rs. 3,131 (March 31, 2025 - 5,000) has been derecognized from trade receivable.

b) No expense was recognised during the current year (31 March 2025: Nil) in respect of bad debt due from related parties.

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BIOCON BIOLOGICS LIMITED

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

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

Trade receivables ageing schedule:

	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	217	48,469	9,238	2,423	1,330	-	-	61,677
Undisputed Trade receivables - credit impaired	-	-	-	-	12	256	123	391
As at March 31, 2026	217	48,469	9,238	2,423	1,342	256	123	62,068
Less: Provision for chargebacks / discounts / rebates / incentives settled through issuance of credit note to its customers								(17,622)
Allowance for expected credit loss								(391)
Net trade receivables								44,055
Undisputed Trade receivables - considered good	108	44,436	7,254	2,672	947	-	-	55,417
Undisputed Trade receivables - credit impaired	-	-	-	-	41	93	142	276
As at March 31, 2025	108	44,436	7,254	2,672	988	93	142	55,693
Less: Provision for chargebacks / discounts / rebates / incentives settled through issuance of credit note to its customers								(12,586)
Allowance for expected credit loss								(276)
Net trade receivables								42,831

11. Cash and bank balances

March 31, 2026 **March 31, 2025**

Cash and cash equivalents
Balances with banks:

On current accounts	7,274	10,630
Deposits with original maturity of less than 3 months	11,803	11,193
	19,077	21,823

Other bank balances:

Deposits with banks with original maturity of more than three months but less than twelve months	1,525	4,592
Margin money deposits	-	21
	1,525	4,613

Total cash and bank balances

	20,602	26,436
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(a) Amount for cash on hand are less than a rupees in million and hence rounded off to rupees in million.

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BIOCON BIOLOGICS LIMITED
Notes to consolidated financial statements for the year ended March 31, 2026

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

12(a). Share capital
Authorised

2,500,000,000 (March 31, 2025: 2,500,000,000) equity shares of Rs 10 each (March 31, 2025: Rs 10 each)
1,000,000,000 (March 31, 2025: 1,000,000,000) preference shares of Rs 10 each (March 31, 2025: Rs 10 each)

Issued, subscribed and fully paid-up

16,09,951,323 (March 31, 2025: 1,321,724,958) equity shares of Rs 10 each
205,420,000 (March 31, 2025: 205,420,000) Non Convertible Redeemable Preference Shares ("NCRPS") of Rs 10 each
Nil (March 31, 2025: 231,163,944) Compulsorily Convertible Preference Shares ("CCPS") of Rs 10 each

Less : Preference share capital classified as a financial liability [refer note 13]

Less : Preference share capital classified as a equity instrument

Equity share capital

March 31, 2026 **March 31, 2025**

25,000	25,000
10,000	10,000
16,100	13,217
2,054	2,054
-	2,312
18,154	17,583
(2,054)	(2,054)
-	(2,312)
16,100	13,217

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

At the beginning of the year
Issued during the year (refer note (ii) c below)
Shares extinguished on buy back (refer note (ix) below)
Outstanding at the end of the year

March 31, 2026		March 31, 2025	
No.	Rs	No.	Rs
1,321,724,958	13,217	1,321,724,958	13,217
292,726,365	2,928	-	-
(4,500,000)	(45)	-	-
1,609,951,323	16,100	1,321,724,958	13,217

(b) Non convertible redeemable preference shares

At the beginning of the year
Outstanding at the end of the year

March 31, 2026		March 31, 2025	
No.	Rs	No.	Rs
205,420,000	2,054	205,420,000	2,054
205,420,000	2,054	205,420,000	2,054

(c) Compulsorily convertible preference shares

At the beginning of the year
Converted during the year (refer note (ii) c below)
Outstanding at the end of the year

March 31, 2026		March 31, 2025	
No.	Rs	No.	Rs
231,163,944	2,312	231,163,944	2,312
(231,163,944)	(2,312)	-	-
-	-	231,163,944	2,312

(ii) Terms/ rights attached to
(a) Equity shares

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

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

(b) Non convertible redeemable preference shares

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

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

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

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

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

(c) Compulsorily convertible preference shares

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

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

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

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

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

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



BIOCON BIOLOGICS LIMITED**Notes to consolidated financial statements for the year ended March 31, 2026**

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

12(a). Share capital (continued)**(iii) Details of shareholders holding more than 5% shares in the Company**

	March 31, 2026		March 31, 2025	
	No.	% holding	No.	% holding
Equity shares of Rs 10 each fully paid				
Biocon Limited, the Holding Company (including shares held through nominees)	1,597,785,965	99.24%	1,192,199,103	90.20%
Serum Institute Life Sciences Private Limited*	-	0.00%	78,902,725	5.97%
NCRPS of Rs 10 each fully paid				
Biocon Limited, the Holding Company	205,420,000	100.00%	205,420,000	100.00%
CCPS of Rs 10 each fully paid				
Mylan Inc (refer note (ii) c above)	-	0.00%	231,163,944	100.00%

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

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

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

(v) For details of any securities convertible into equity shares, please refer note 13(c), note 13(d), note 13(e) and note 13(f).

(vi) For details of shares reserved for issue under Employee stock compensation plans, please refer note 38.

(vii) Shareholding of Promoters

	March 31, 2026		March 31, 2025		March 31, 2024		% Change during the year ending	
	No. of shares	% of total	No. of shares	% of total	No. of shares	% of total	March 31, 2026	March 31, 2025
Biocon Limited								
(a) Equity shares	1,597,785,965	99.24%	1,192,199,103	90.20%	1,172,399,798	88.70%	9.04%	1.50%
(b) NCRPS	205,420,000	100.00%	205,420,000	100.00%	205,420,000	100.00%	-	0.00%

(viii) Dividends

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

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

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

292 Million (31 March 2025 : nil) equity shares of Rs 10 each have been issued to Mylan Inc. pursuant to conversion of CCPS. (refer note (ii) (c) above).

4.5 Million (31 March 2025: nil) equity shares of Rs 10 each have been bought back from the shareholders (refer note (ix) above).

12(b). Other equity**Securities premium**

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

Retained earnings

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

Amalgamation adjustment reserve

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

Debenture redemption reserve

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

Capital redemption reserve

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

Treasury shares

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

Fair value reserve for Compound Financial Instrument

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

Employee stock option outstanding reserve

The Group has established equity settled share based payment plans for certain categories of employees. Refer note 38 for further details on these plans. The amounts recorded in this reserve are transferred to share premium upon exercise of stock options by employees. In case of closure of the plan, the corresponding balance is transferred to general reserve. In case of one off cash settlement of vested stock options, the employee stock option reserve originally created against those options are utilized.

Cash flow hedging reserve

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.



BIOCON BIOLOGICS LIMITED

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

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

12(b). Other equity (continued)

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 (loss) / income

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

Other reserve

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

13. Non-current borrowings

	March 31, 2026	March 31, 2025
Loans from banks (secured)		
Term loan [refer note (g) below]	27,284	26,972
Loans from banks (unsecured)		
Term loan [refer note (h) below]	2,700	2,950
Other loans (secured)		
Senior Secured Notes 2029 ("Notes") [refer note (a) below]	73,597	66,954
Other loans from related parties (unsecured)		
Non-Convertible Redeemable Preference Shares ("NCRPS") [refer note 12(a)(ii)(b)]	2,054	2,054
Optionally Convertible Debentures ("BL OCD") [refer note (d) and (f) below]	21,167	19,318
Non-Cumulative Redeemable Convertible Preference Shares [refer note (b) below]	912	900
Other loans (unsecured)		
Redeemable Optionally Convertible Debentures ("OCD") [refer note (c) below]	-	16,079
Compulsorily Convertible Debentures ("CCD") [refer note (e) below]	-	150
	127,714	135,377
	(16,448)	(29,051)
	111,266	106,326
Less: Current maturity disclosed under the head "Current borrowings" [refer note 16 and note (j) below]		
The above amount includes		
Secured borrowings	100,881	93,926
Unsecured borrowings	26,833	41,451
Amount disclosed under the head "Current borrowings" [refer note 16 and note (j) below]	(16,448)	(29,051)
Net amount	111,266	106,326

(a) During the year ended March 31, 2025, the Group 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 International Limited (Erstwhile Biocon Biologics UK Limited) (ii) capital stock of Biocon Biologics Ireland Limited (Erstwhile Biosimilars Collaboration Ireland Limited) held by Biocon Biologics International Limited (Erstwhile Biocon Biologics UK Limited) and (iii) capital stock of the Biocon Biologics UK PLC (Erstwhile Biosimilars Newco Limited) held by Biocon Biologics Limited and Biocon Biologics International Limited (Erstwhile Biocon Biologics UK Limited) and also secured by corporate guarantee by Biocon Biologics Limited, Biocon Biologics International Limited (Erstwhile Biocon Biologics UK Limited), Biocon Biologics UK PLC (Erstwhile Biosimilars Newco Limited), Biocon Biologics Ireland Limited (Erstwhile Biosimilars Collaboration Ireland Limited) and Biocon Sdn Bhd. These notes restricts the Group from repaying dues towards NCRPS, BL OCD and OCD using internal accruals. Carrying value of the Notes as at March 31, 2026 amounts to Rs. 73,597 (March 31, 2025: 66,954).

(b) As at March 31, 2026, Biocon Malaysia has outstanding 3,067,506 (March 31, 2025: 3,067,506) non-cumulative redeemable convertible preference shares ("NCRPS") which were issued at issue price and par value of RM 10 each. These NCRPS are issued to Biocon SA, a fellow subsidiary. The NCRPS rank pari passu with one another without any preference or priority among themselves. Each NCRPS shall confer to the holder thereof a right to receive a non-cumulative coupon of 2.5% per annum, subject to the availability of the post taxation profits for distribution. The NCRPS shall be redeemable at par value, in full or in part, and in any number of tranches at the option of the NCRPS shareholder at any time after ten years from the date of issue of the NCRPS. The NCRPS shall be convertible at par value to ordinary shares of Biocon Malaysia of RM 10 each at any time at the option of the NCRPS holder. NCRPS been accounted as a compound financial instrument in line with Ind AS, given that it has both financial liability and equity feature. Accordingly, it has been bifurcated into financial liability and equity.

The NCRPS shall have no voting right or right to move or second any resolutions at any general meetings of the Biocon Sdn Bhd, except:

- (i) upon any resolution which varies or is deemed to vary the right and privileges attached to the NCRPS; and
- (ii) upon any resolution for the winding up of the Biocon Malaysia.



BIOCON BIOLOGICS LIMITED**Notes to consolidated financial statements for the year ended March 31, 2026**

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

13. Non-current borrowings (continued)

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

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

(d) During the year ended March 31, 2024, the Group had entered into debenture subscription agreement with Biocon Limited for issuance of 1,78,10,073 Optionally Convertible Debentures ("BL OCD") on private placement basis at an issue price of Rs. 280.74 amounting to Rs. 5,000. The BL OCD were issued for a tenor of 47 months, are unsecured, redeemable at par and carry a conversion option at any time during the tenor at the option of the investor. BL OCD bears a coupon rate of 12% per annum plus agreed variable coupon payable on compounded and cumulative basis only on redemption. The variable coupon is linked to the equity share price of the Company. The BL OCD are convertible upon occurrence of conversion event. The debentures were accounted as a debt financial instrument in line with Ind AS, given that it has financial liability feature. Accordingly, the consideration received was recorded as financial liability. As at March 31, 2026, the interest accrued amounts to Rs. 1,918 (March 31, 2025 Rs. 1,596) and has been recorded under "Finance cost".

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

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

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

(g) During the year ended March 31, 2025, the Group had 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. This 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 International Limited (Erstwhile Biocon Biologics UK Limited), Biocon Biologics UK PLC (Erstwhile Biosimilars Newco Limited), Biosimilars Collaboration Ireland Limited and Biocon Biologics Global PLC. During the year, the Group has prepaid Rs. 2,469 (USD 25 million).

(h) During the year ended March 31, 2025, the Group had obtained an unsecured rupee term loan facility from The Federal Bank repayable in 6 quarterly instalments commencing from December 2025. Term loan carries an interest rate of 8.50% p.a. The outstanding value of loan as on March 31, 2026 is Rs. 2,700 (March 31, 2025: 2,950).

(i) The Group is required to comply with certain financial covenants under the terms of its major borrowing facilities, measured based on the following ratios:

- net debt to adjusted EBITDA,
- adjusted EBITDA to interest cost, and
- gearing ratio.

The aforesaid terms are defined in the respective facility agreement. These covenants are tested on an annual and semi-annual basis. The Group has complied with all such covenants throughout the reporting period.

There are no indications that the Group would have difficulties to comply with the covenants when they are next tested as at 30 September 2026.

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

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

(l) The interest accrued on borrowings measured at amortised cost as at 31 March 2026 is Rs. 2,604 (March 31, 2025: 2,436). Refer Note 18

14. Provisions**(a) Non-current**

Provision for employee benefits

Gratuity [refer note 30(i)]

Provision for sales return

(b) Current

Provision for employee benefits

Gratuity [refer note 30(i)]

Compensated absences [refer note 30(ii)]

Provision for sales return

March 31, 2026 March 31, 2025

746	409
1,695	1,394
2,441	1,803
136	70
628	582
136	136
900	788



BIOCON BIOLOGICS LIMITED
Notes to consolidated financial statements for the year ended March 31, 2026
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

15. Other liabilities

(a) Non-current

Deferred revenues [refer note 19]

March 31, 2026	March 31, 2025
2,320	670
2,320	670

(b) Current

Deferred revenues [refer note 19]

Advances from customers [refer note 19]

Statutory taxes and dues payable

March 31, 2026	March 31, 2025
577	730
-	9
3,702	1,881
4,279	2,620

16. Current borrowings

From banks/ financial institutions

Packing credit foreign currency loan [refer note (a) below]

Packing credit rupee export loan [refer note (b) below]

Cash credit [refer note (c) below]

Term Loan [refer note (d) below]

Current maturities of non-current borrowings [refer note 13]

March 31, 2026	March 31, 2025
2,430	6,510
10,951	6,180
3,050	3,033
4,500	8,844
16,448	29,051
37,379	53,618

The above amount includes

Secured borrowings [refer note (c) below]

Unsecured borrowings

Current maturities of non-current borrowings [refer note 13]

March 31, 2026	March 31, 2025
935	854
19,996	23,713
16,448	29,051
37,379	53,618

(a) The Group has obtained foreign currency short term unsecured pre-shipment credit loans from various banks that carries fixed interest rate ranging from 4.60% p.a. to 4.7% p.a. (March 31, 2025: 5.06% p.a. to 5.66% p.a.) Packing credit foreign currency loan tenure is upto 180 days from the date of draw down.

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

(c) Biocon Sdn Bhd had availed working capital facilities, carrying an interest rate of Bank Lending Rate + 0.5% p.a.. Further the loan is secured by corporate guarantee by the Company upto USD 10 million.

(d) The Group has obtained short term unsecured loan from various banks that carries interest rate ranging from 6.67% p.a. to 6.75% p.a. The tenure of the loan is 365 days from the date of draw down.

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

17. Trade payables

Trade and other payables

- Total outstanding dues of micro and small enterprises ('MSME')

- Total outstanding dues of creditors other than micro and small enterprises *

March 31, 2026	March 31, 2025
522	268
56,610	53,633
57,132	53,901

* includes Other payables comprising of allowances for 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 31.

[Also refer note 28 for details on related party transactions and balances]

Trade payables ageing schedule:

	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro and small enterprises	-	341	174	3	3	1	522
(ii) Others	44,814	3,300	8,170	191	105	30	56,610
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
As at March 31, 2026	44,814	3,641	8,344	194	108	31	57,132
(i) Micro and small enterprises	-	190	71	4	2	1	268
(ii) Others	42,318	6,241	4,866	169	39	-	53,633
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
As at March 31, 2025	42,318	6,431	4,937	173	41	1	53,901

The Group accounts for claw-back tax i.e. M Contribution, administered by French national health insurance fund based on the applicable turnover rates specified by the regulation. These contributions are recorded as an adjustment to the revenues. Pursuant to the amendments to the provisions of M Contribution, the Group reassessed the accruals as at March 31, 2026 and has retained an accrual of Rs 425.



BIOCON BIOLOGICS LIMITED

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

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

18. Other financial liabilities**March 31, 2026 March 31, 2025****(a) Non-current**

Contingent consideration payable [refer note 31(D) and note (b) below]

Other payable [refer note (a) below]

-	8,970
5,550	5,126
5,550	14,096

(b) Current

Interest accrued but not due

Employee benefit payable

Derivative premium payable

Payables for capital goods

2,604	2,436
1,823	2,158
-	3
2,655	1,734
7,082	6,331

[Also refer note 28 for details on related party transactions]

(a) 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.

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

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

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

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BIOCON BIOLOGICS LIMITED
Notes to consolidated financial statements for the year ended March 31, 2026
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

Year ended	Year ended
March 31, 2026	March 31, 2025

19. Revenue from operations

Sale of products		
Finished goods	75,097	65,703
Traded goods	28,487	23,181
Sale of services		
Licensing and development fees	82	308
Research fees	13	80
Others	424	413
Other operating revenue		
Sale of process waste	29	23
Performance linked incentive	-	258
Others	181	208
Revenue from operations	104,313	90,174

19.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers:

Revenues by geography

Revenues from operations	Year ended March 31, 2026	Year ended March 31, 2025
Europe	31,957	27,084
North America [refer note (i)]	46,020	36,548
India	3,754	3,877
JANZ [refer note (ii)]	2,347	1,757
Rest of the world	20,235	20,908
Total revenue from operations	104,313	90,174

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

(i) North America represents United States of America and Canada.

(ii) JANZ represents Japan, Australia and New Zealand

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

	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning of the year	1,409	912
Add:- Increase due to invoicing during the year	2,149	1,640
Less:- Amounts recognised as revenue during the year	(1,363)	(1,283)
Add:- Foreign currency translation	702	139
Balance at the end of the year	2,897	1,409

Expected revenue recognition from remaining performance obligations:

- Within one year	577	739
- More than one year	2,320	670
	2,897	1,409

19.3 Contract balances

Trade receivables	44,055	42,831
Contract liabilities	2,897	1,409

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

19.4 Performance obligation and significant terms:

In relation to information about Group's performance obligations in contracts with customers and significant payment terms [refer note 2(i)].

19.5 Significant customer

There are no significant customers which is more than 10% of the total revenue of the Group for the year ended March 31, 2026 (March 31, 2025: One customer accounted for Rs 10,971).

19.6 Reconciliation of revenue from contracts with customers

Revenue from contracts with customers as per contract price (sale of products and sale of service)	247,752	237,844
Adjustments made to contract price on account of :-		
a) Chargebacks / Discounts / Rebates / Incentives	(142,869)	(147,388)
b) Sales returns/ reversals	(780)	(771)
Revenue from contracts with customers as per consolidated statement of profit and loss	104,103	89,685



BIOCON BIOLOGICS LIMITED**Notes to consolidated financial statements for the year ended March 31, 2026**

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

20. Other income

Interest income under the effective interest method on financial asset carried at at amortised cost:

	Year ended March 31, 2026	Year ended March 31, 2025
Deposits with banks and financial institutions	371	466
Others	9	12
Net gain on sale of current investments	100	123
Net gain on financial assets/liability measured at fair value through profit or loss	790	-
Sale of business (net) [Refer note (a) below]	1	10,573
Other non-operating income	578	96
	1,849	11,270

(a) In March 2024, The Group had entered into a long-term commercial collaboration agreement with Eris Lifesciences for the sale of its business in relation to Metabolics, Oncology, and Critical Care products in India for a consideration of Rs. 12,420. As a part of deal the Group 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.

21. Cost of raw materials and packing materials consumed

	Year ended March 31, 2026	Year ended March 31, 2025
Inventory at the beginning of the year	8,422	6,455
Add: Purchases	31,294	20,526
Less: Inventory at the end of the year	(10,649)	(8,422)
	29,067	18,559

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

	Year ended March 31, 2026	Year ended March 31, 2025
Inventory at the beginning of the year		
Traded goods	8,843	14,112
Finished goods	5,422	7,458
Work-in-progress	10,646	9,067
	24,911	30,637

Inventory at the end of the year

Traded goods	9,196	8,843
Finished goods	9,747	5,422
Work-in-progress	15,652	10,646
	34,595	24,911
	(9,684)	5,726

23. Employee benefits expense

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus *	15,132	13,614
Contribution to provident and other funds	556	582
Gratuity [refer note 30(ii)]	105	87
Employee stock compensation expense [refer note 38]	964	589
Staff welfare expenses	934	747
	17,691	15,619

*includes expense towards compensated absence [refer note 30 (ii)]

24. Finance costs

	Year ended March 31, 2026	Year ended March 31, 2025
Interest expenses on financial liabilities [refer note (a) below]	9,321	8,068
Interest expenses on lease liabilities [refer note 27]	153	181
	9,474	8,249

(a) Interest expense on financial liabilities is net of borrowing cost capitalisation amounting to Rs. 1,138 (March 31, 2025 - Rs. 4,521).



BIOCON BIOLOGICS LIMITED
Notes to consolidated financial statements for the year ended March 31, 2026

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

25. Depreciation and amortisation expense

Depreciation of property, plant and equipment [refer note 3(a)]	4,785	4,047
Depreciation of right-of-use assets [refer note 3(b)]	733	512
Amortisation of other intangible assets [refer note 4]	7,665	6,590
	13,183	11,149

26. Other expenses

Royalty and technical fees	42	5
Rent [refer note 27]	207	218
Communication expenses	58	77
Travelling and conveyance	1,088	830
Professional charges [refer note a below]	3,813	3,657
Transition Support Agreement ('TSA') expense	-	536
Directors' fees including commission	94	115
Power and fuel	2,805	2,750
Insurance	353	321
Rates, taxes and fees, net of refunds of taxes	915	838
Lab consumables	2,305	1,366
Foreign exchange loss, net	1,620	640
Repairs and maintenance		
Plant and machinery	3,713	2,966
Buildings	446	296
Others	1,037	823
Selling expenses		
Freight outwards, distribution and clearing charges	2,188	2,392
Sales promotion expenses	3,204	2,360
Commission and brokerage (other than sole selling agents)	172	169
Allowance for credit loss and bad debts	143	250
Net loss on financial assets/liabilities designated at fair value through profit or loss	-	796
Printing and stationery	177	93
Research and development expenses	3,674	4,325
Corporate social responsibility (CSR) expenses	247	1
Loss on sale of assets, net	95	-
Miscellaneous expenses	689	521
	29,085	26,345

[Also refer note 28 for details on related party transactions]

(a) Payment to auditors:

As auditor:		
Statutory audit fee	40	35
Tax audit fee	1	1
In other capacity:		
Other services (certification fees)	3	22
Reimbursement of out-of-pocket expenses	5	3
	49	61

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

Details of research and development expenditure incurred (charged to statement of profit and loss)

Research and development expenses	3,674	4,325
Lab consumables	2,305	1,366
Employee benefits expense	1,425	1,385
Other research and development expenses included in other heads	468	190
	7,872	7,266
Less: Recovery of product development costs from co-development partners	(1,131)	(1,345)
	6,741	5,921



BIOCON BIOLOGICS LIMITED

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

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

27. Leases

The Group has entered into lease agreements for use of land, buildings, plant and machinery and vehicle which expires over a period ranging up to the financial year 2032-33. Gross payment for the year aggregate to Rs. 910 (March 31, 2025: Rs. 738).

The followings is the movement in the lease liabilities:

Particulars	Amount
Balance as at April 1, 2024	2,007
Additions during the year	343
Disposals during the year	(93)
Finance cost accrued during the year	181
Payment of lease liabilities	(738)
Foreign currency translation adjustment	(1)
Balance as at March 31, 2025	1,699
Additions during the year	569
Disposals during the year	(71)
Finance cost accrued during the year	153
Payment of lease liabilities	(910)
Foreign currency translation adjustment	57
Balance as at March 31, 2026	1,497

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

Particulars	March 31, 2026	March 31, 2025
Current lease liabilities	499	502
Non-current lease liabilities	998	1,197
	1,497	1,699

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

Less than one year	628	562
One to five years	1,085	1,443
More than five years	22	52
Total	1,734	2,057

The following are the amounts recognised in Statement of profit or loss for the year:

Depreciation expense of right of use-assets (refer note 25)	733	512
Interest expenses on lease liabilities (refer note 24)	153	181
Payment for leases for short term and low value asset [refer note (i) below]	207	218
Total	1,093	911

(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).

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BIOCON BIOLOGICS LIMITED
Notes to consolidated financial statements for the year ended March 31, 2026
(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)

28. Related party disclosures:

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

Sl. No.	Name of the related party	Relationship	Description of transaction	April 1, 2025 to March 31, 2026 (Income)/Expenses/ Other transactions	Balance as at March 31, 2026 (Payable)/ Receivable	April 1, 2024 to March 31, 2025 (Income)/Expenses/ Other transactions	Balance as at March 31, 2025 (Payable)/ Receivable
1	Biocon Limited	Holding Company	Expenses incurred by related party on behalf of the Group	236	-	274	-
			Expenses incurred on behalf of the related party	(2)	-	(27)	-
			Professional charges	376	-	373	-
			Research fees (refer note (g) below)	-	-	(107)	-
			Payment for leases	306	-	294	-
			Power and fuel	1,555	-	1,542	-
			Staff welfare expenses	83	-	103	-
			Royalty expense	7	-	26	-
			Employee stock compensation expense	32	-	54	-
			Sale of goods	(68)	-	-	-
			Purchase of goods	104	-	70	-
			Interest on Optionally Convertible Debentures (refer note 13(d) & (f))	1,849	-	1,717	-
			Optionally Convertible Debentures Issued (refer note 13(d) & (f))	-	(21,167)	(11,900)	(19,318)
			Trade payables	-	(601)	-	(1,158)
			Reimbursement towards Performance Linked Incentive (PLI*)	-	-	(250)	-
			Expenses incurred by related party on behalf of the Group	46	-	122	-
			Expenses incurred on behalf of the related party	(7)	-	(86)	-
			Purchase of goods	4	-	25	-
			Sale of goods	(18)	-	-	-
			Power and Utility Charges	70	-	86	-
			Payment for leases	336	-	320	-
			Trade payables	-	(25)	-	(95)
2	Syngene International Limited	Fellow subsidiary					

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BIOCON BIOLOGICS LIMITED
Notes to consolidated financial statements for the year ended March 31, 2026
(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)

28. Related party disclosures:

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

Sl. No.	Name of the related party	Relationship	Description of transaction	April 1, 2025 to March 31, 2026 (Income)/Expenses/ Other transactions	Balance as at March 31, 2026 (Payable)/ Receivable	April 1, 2024 to March 31, 2025 (Income)/Expenses/ Other transactions	Balance as at March 31, 2025 (Payable)/ Receivable
3	Bicara Therapeutics Inc.	Fellow associate	Research fees Cross charges towards facility and other expenses Trade receivables	(3) (22) -	- - 61	(7) 49 -	- - 48
4	Blocon FZ LLC	Fellow subsidiary	Expenses incurred by related party on behalf of the Group (refer note (g) below) Sale of Goods	- (13)	- -	- (22)	- 22
5	Blocon SA	Fellow subsidiary	Interest on preference shares	-	-	31	-
6	Blocon Pharma Limited	Fellow subsidiary	Research fees Cross charges towards facility and other expenses Expenses incurred on behalf of the related party Expenses incurred by related party on behalf of the Company Trade receivables	(71) (457) - - -	- - - 173	(175) (413) (77) 12 -	- - - - 857
7	Blocon Foundation	Fellow subsidiary	Contribution towards CSR expenses Advance receivables	91 -	- -	83 -	- -
8	Blocon Biosphere Limited	Fellow subsidiary	Expenses incurred on behalf of the related party Sale of goods Trade receivables	(2) (35) -	- 51	(14) -	- 14
9	Jeeves	Enterprise in which relative to a director of the Company is proprietor	Miscellaneous expenses Trade receivables (refer note (g) below)	- -	- -	33 -	- -
10	Narayana Hrudayalaya Limited	Enterprise in which a director of the Company is a member of board of directors	Sale of goods (refer note (g) below) Trade receivables	- -	- 1	- -	- 1
11	Blocon Academy	Fellow subsidiary	Expenses incurred on behalf of the related party Contribution towards CSR expenses Trade receivables	(14) 60 -	- 174	(16) 54 -	- - 13
12	Viatris Group (till January 21, 2026)	Enterprise in which Director has significant influence in the Group	Expense cross charge in relation to Transition Support Agreement (TSA) Contingent consideration payable (refer note 18)	- -	- -	536 -	- (8,970)



BIOCON BIOLOGICS LIMITED
Notes to consolidated financial statements for the year ended March 31, 2026
(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)

28. Related party disclosures:

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

Sl. No.	Name of the related party	Relationship	Description of transaction	April 1, 2025 to March 31, 2026		April 1, 2024 to March 31, 2025		Balance as at March 31, 2025	Balance as at March 31, 2025
				(Income)/Expenses/Other transactions	(Payable)/Receivable	(Income)/Expenses/Other transactions	(Payable)/Receivable	(Payable)/Receivable	(Payable)/Receivable
13	Refer note (c) below	Key managerial personnel	Salary and perquisites [refer note (c) (d) and (e) below] Sitting fees and remuneration	675	-	232	-	94	-

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

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

(c) Key managerial personnel include:

(i) Kiran Mazumdar Shaw

(ii) Arun Chandavarkar

(iii) Shreehas P Tambe

(iv) Kedar Upadhye

(v) Akhilesh Nand

(vi) Deepika Srivastava

(vii) Peter Plot

(viii) Bobby Kanubhai Parikh

(ix) Nivriti Rai

(x) Russell Walls

(xi) Daniel M Bradbury

(xii) Thomas Jason Roberts

(xiii) Rajiv Malik

(xiv) Nicholas Robert Haggard

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

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

(f) Fellow subsidiary companies with whom the Group did not have any transactions:

Name	Relation	Name	Relation
(i) Syngene USA Inc	Wholly-owned subsidiary of Syngene International Limited	(vi) Blocon Pharma Ireland Limited	Wholly-owned subsidiary of Blocon Pharma Limited
(ii) Syngene Manufacturing Solutions Limited	Wholly-owned subsidiary of Syngene International Limited	(vii) Blocon Pharma Inc	Wholly-owned subsidiary of Blocon Pharma Limited
(iii) Syngene Scientific Solutions Limited	Wholly-owned subsidiary of Syngene International Limited	(viii) Blocon Pharma Malta I Limited	Wholly-owned subsidiary of Blocon Pharma Limited
(iv) Blocon Pharma Malta Limited	Wholly-owned subsidiary of Blocon Pharma Limited	(ix) Blocon FZ LLC	Wholly-owned subsidiary of Blocon Limited
(v) Blocon Pharma UK Limited,	Wholly-owned subsidiary of Blocon Pharma Limited	(x) Blocon SA	Wholly-owned subsidiary of Blocon Limited
		(xi) Blocon Generics Inc.	Wholly-owned subsidiary of Blocon Limited

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



BIOCON BIOLOGICS LIMITED
Notes to consolidated financial statements for the year ended March 31, 2026
(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)
29. Tax expense
(a) Amount recognised in Statement of profit and loss

	Year ended March 31, 2026	Year ended March 31, 2025
Current tax	3,355	2,046
MAT credit entitlement	(495)	304
Origination and reversal of temporary differences	(2,270)	436
Tax expense for the year	590	2,786

(b) Reconciliation of effective tax rate

(Loss)/Profit before tax	(7,129)	11,682
Tax at statutory income tax rate 34.944% (March 31, 2025: 34.944%)	(2,491)	4,082
<i>Tax effects of amounts which are not deductible/(taxable) in calculating taxable income:</i>		
Difference in overseas applicable tax rates	(274)	372
Exempt income and other deductions	-	(1,436)
Tax losses on which no deferred tax was recognised	156	463
Non-deductible expense	3,158	479
Tax for earlier years	71	(49)
Others [refer note (i) below]	(30)	(1,125)
Income tax expense	590	2,786

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

(c) Recognised deferred tax assets and liabilities

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

For the year ended March 31, 2026	Opening balance	Recognised in profit or loss	Recognised in OCI	Exchange difference	Closing balance
Deferred tax liabilities					
Property, plant and equipment	1,818	376	-	(5)	2,189
Other intangible assets	3,941	(344)	-	350	3,947
Goodwill	4,715	2,084	-	565	7,364
Derivative assets	-	-	14	(97)	(83)
Gross deferred tax liabilities	10,474	2,116	14	813	13,417
Deferred tax assets					
Provision for employee benefits	564	205	26	111	906
Allowance for doubtful debts	25	4	-	-	29
MAT credit entitlement*	1,327	427	-	-	1,754
Unutilised tax credits [refer note (i)]	6,082	2,163	-	830	9,075
Derivative liabilities	72	-	65	(72)	65
Deferred revenue	43	(10)	-	53	86
Lease liabilities	89	(9)	-	(5)	75
Provision for Inventory	1	-	-	-	1
Expenses allowed on payment basis	173	2,052	-	(250)	1,975
Others	247	(19)	-	(19)	209
Gross deferred tax assets	8,623	4,813	91	648	14,175
Deferred tax assets / (liabilities) (net)	(1,851)	2,697	77	(165)	758

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

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BIOCON BIOLOGICS LIMITED
Notes to consolidated financial statements for the year ended March 31, 2026
(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)

For the year ended March 31, 2025	Opening balance	Recognised in profit or loss	Recognised in OCI	Exchange difference	Closing balance
Deferred tax liabilities					
Property, plant and equipment	1,302	515	-	1	1,818
Other intangible assets	4,234	(393)	-	100	3,941
Goodwill	2,630	2,012	-	73	4,715
Deferred consideration	215	(220)	-	5	-
Derivative assets	270	-	(270)	-	-
Gross deferred tax liabilities	8,651	1,914	(270)	179	10,474
Deferred tax assets					
Provision for employee benefits	294	248	15	7	564
Allowance for doubtful debts	9	16	-	-	25
MAT credit entitlement	1,631	(304)	-	-	1,327
Unutilised tax credits [refer note (i)]	4,201	1,836	-	45	6,082
Derivative liabilities	1	(3)	74	-	72
Deferred revenue	63	(20)	-	-	43
Lease liabilities	90	(2)	-	2	89
Provision for Inventory	636	(653)	-	18	1
Expenses allowed on payment basis	84	89	-	-	173
Others	260	(34)	-	22	247
Gross deferred tax assets	7,269	1,173	89	93	8,623
Deferred tax assets (net)	(1,382)	(740)	359	(86)	(1,851)

"The Group has unutilised tax losses, primarily in the UK and India geographies.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences and carry-forward tax losses can be utilised. Accordingly, the recognition of deferred tax assets in respect of tax losses is based on the Group's expectation of generating sufficient future taxable profits.

The recognition of deferred tax assets involves significant judgement, particularly in assessing the timing and amount of future taxable profits and the feasibility of tax planning strategies. In evaluating the recoverability of deferred tax assets, the Group prepares forecasts of future taxable profits and assesses whether it is probable that such profits will be sufficient to absorb the deductible temporary differences and tax losses carried forward.

In estimating future taxable profits, the Group has considered, inter alia, the expected commercialisation and launch timelines of key pipeline molecules, which are projected to contribute to future profitability. Based on these projections, the Group expects to commence utilisation of tax losses in the UK from financial year 2028-29 onwards and expects to fully utilise the deferred tax assets related to brought-forward losses by financial year 2031-32. In the India geography, the Group has commenced utilisation of carried-forward tax losses from financial year 2023-24 onwards.

Furthermore, a sensitivity analysis was performed assuming a 10% reduction in projected revenues. Based on this analysis, the recoverability assessment of deferred tax assets remains unchanged, and no material impact was identified."

B) The Organisation for Economic Co-operation and Development (OECD) has issued the Global Anti-Base Erosion Model Rules (Pillar Two). Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates. The Group is within the scope of Pillar Two and has assessed its potential exposure to the global minimum tax. Based on this assessment, no material financial impact is expected for the current period. The assessment is based on the most recent country-by-country reporting and financial information of the Group's constituent entities. In accordance with the amendments to Ind AS 12 Income Taxes, the Group has applied the temporary mandatory exception from recognising and disclosing deferred tax arising from Pillar Two legislation.

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BIOCON BIOLOGICS LIMITED

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

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

30. Employee benefit plans

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

The following table sets out the status of the gratuity plan and the amounts recognised in the consolidated financial statements as at balance sheet date:

Particulars	Defined benefit obligation	
	March 31, 2026	March 31, 2025
Balance at the beginning of the year	479	454
Current service cost	67	54
Interest expense/(income)	38	33
Past service cost	255	-
Amount recognised in Statement of profit and loss	360	87
<i>Remeasurements:</i>		
Actuarial (gain)/loss arising from:		
Financial assumptions	(16)	15
Experience adjustment	90	29
Amount recognised in other comprehensive income	74	44
Liabilities transfer out	-	(42)
Benefits paid	(31)	(64)
Balance at the end of the year	882	479
Non-current	746	409
Current	136	70
	882	479

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

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

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

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

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

b) Sensitivity analysis

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

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

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

Maturity profile of defined benefit obligation (undiscounted)

Particulars	March 31, 2026	March 31, 2025
1st following year	136	70
2nd following year	98	55
3rd following year	105	51
4th following year	102	54
5th following year	92	52
Years 6 to 10	781	435

- (ii) The Group provides for compensated absences to its employees. The employees can carry forward the unutilised accrued compensated absences, subject to Group's policies and applicable laws, and utilise it in future service years. During the year ended March 31, 2026, the Group has incurred an expense on compensated absences amounting to Rs. 87 (March 31, 2025: Rs. 114). The Group determines the expense for compensated absences basis the actuarial valuation of the present value of the obligation, using the Projected Unit Credit Method.



31. Financial instruments: Fair value and risk managements

A. Accounting classification and fair values

March 31, 2026	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments	544	-	-	544	544	-	-	544
Trade receivables	-	-	44,055	44,055	-	-	-	-
Cash and cash equivalents	-	-	19,077	19,077	-	-	-	-
Other bank balance	-	-	1,525	1,525	-	-	-	-
Derivative assets	-	98	-	98	-	98	-	98
Other financial assets	-	-	1,628	1,628	-	-	-	-
	544	98	66,285	66,927	544	98	-	642
Financial liabilities								
Lease liabilities	-	-	1,497	1,497	-	-	-	-
Derivative liability*	724	530	-	1,254	-	1,254	-	1,254
Borrowings	8,972	-	1,39,673	1,48,645	-	-	8,972	8,972
							Refer note(a)	
Trade payables	-	-	57,132	57,132	-	-	-	-
Other financial liabilities	-	-	12,632	12,632	-	-	-	-
	9,696	530	2,10,934	2,21,160	-	1,254	8,972	10,226

* Includes Non current derivative liability of Rs 101

March 31, 2025	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments	1,118	-	-	1,118	1,118	-	-	1,118
Trade receivables	-	-	42,831	42,831	-	-	-	-
Cash and cash equivalents	-	-	21,823	21,823	-	-	-	-
Other bank balance	-	-	4,613	4,613	-	-	-	-
Derivative assets	-	295	-	295	-	295	-	295
Other financial assets	-	-	1,086	1,086	-	-	-	-
	1,118	295	70,353	71,766	1,118	295	-	1,413
Financial liabilities								
Lease Liability	-	-	1,699	1,699	-	-	-	-
Derivative liability	981	585	-	1,566	-	610	956	1,566
							Refer note(b)	
Borrowings	8,650	-	1,51,294	1,59,944	-	-	8,650	8,650
							Refer note(a)	
Trade payables	-	-	53,901	53,901	-	-	-	-
Other financial liabilities	8,970	-	11,457	20,427	-	-	8,970	8,970
	18,601	585	2,18,351	2,37,537	-	610	18,756	19,186

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

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

(b) CCD is recorded at fair value [refer note 13(j)]. Fair value of derivative embedded in CCD at inception amounts to Rs. 1,039 [refer note 31 (D)] and was recorded in Other equity. The fair value of derivative liability as at March 31, 2026 amounts to Rs. Nil (March 31, 2025 Rs. 956). Derivatives are valued using valuation techniques in consultation with market expert.

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

B. Measurement of fair values

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 price.

Sensitivity analysis

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

Significant observable inputs	March 31, 2026		March 31, 2025	
	Impact on other components of equity		Impact on other components of equity	
	Increase	Decrease	Increase	Decrease
Spot rate of the foreign currency (1% movement)	(263)	274	(287)	259
Interest rates (100 bps movement)	285	(285)	273	(273)



C. Significant Unobservable inputs used in Level 3 Fair Values

As at March 31, 2026	Valuation Techniques	Significant unobservable inputs	Sensitivity of input to fair value
a) Non-Convertible Redeemable Preference Shares ("NCRPS") [refer note 12(a)(ii)(b)]	Equivalent to Face value	Not Applicable	Not Applicable
b) Optionally Convertible Debentures ("BL OCD")	The fair value is equal to the present value of expected future payoffs	Expected share price of the Company on date of maturity	The estimated fair value would increase (decrease) if the BBL share price is higher (lower).
c) Forward exchange contracts	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in respective currencies.	Not Applicable	Not Applicable
d) Interest rate swaps	Swap models: The fair value is calculated based on the present value of the estimated future cash flows of both fixed and floating - rate cash flows are based on quoted swap rates, future prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps.	Not Applicable	Not Applicable
As at March 31, 2025	Valuation Techniques	Significant unobservable inputs	Sensitivity of input to fair value
a) Contingent consideration payable	Binomial Option Pricing Model - using risk premium discount rate and growth rate. The fair value is equal to the present value of the probability - weighted future payoffs	a) Discount rate b) Volatility 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. 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 Redeemable Preference Shares ("NCRPS") [refer note 12(a)(ii)(b)]	Equivalent to Face value	Not Applicable	Not Applicable
c) Optionally Convertible Debentures ("BL OCD")	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 b) Volatility rate	A 1% increase in discount rate would have led to approximately Rs. 70 gain in Statement of Profit and loss. A 1% decrease would have led to approximately Rs. 70 loss in Statement of Profit and loss. A 5% increase in volatility rate would have led to approximately 39 loss in Statement of Profit and loss. A 5% decrease would have led to approximately Rs. 77 gain in Statement of Profit and loss.

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BIOCON BIOLOGICS LIMITED

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

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

C. Significant Unobservable Inputs used in Level 3 Fair Values (continued)

As at March 31, 2025	Valuation Techniques	Significant unobservable inputs	Sensitivity of input to fair value
		a) Discount rate	A 1% increase in discount rate would have led to approximately Rs. 39 gain in Statement of Profit and loss, A 1% decrease would have led to approximately Rs. 40 loss in Statement of Profit and loss.
d) Derivative liability towards Compulsary Convertible Debentures ("CCD")	Binomial Option Pricing Model - using risk free discount rate and growth rate. The fair value is equal to the present value of the probability - weighted future payoffs	b) Volatility rate	A 5% increase in volatility rate would have led to approximately Rs. 77 loss in Statement of Profit and loss, A 5% decrease would have led to approximately Rs. 81 gain in Statement of Profit and loss.
e) Forward exchange contracts	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in respective currencies.	Not Applicable	Not Applicable
f) Interest rate swaps	Swap models: The fair value is calculated based on the present value of the estimated future cash flows of both fixed and floating - rate cash flows are based on quoted swap rates, future prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve contracted from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps.	Not Applicable	Not Applicable

D. Reconciliation of Level 3 fair values

	Contingent consideration receivable	Contingent consideration payable	NCRPS	BL OCD	Derivative Liability on CCD
At April 01, 2024	750	7,426	2,054	5,701	1,162
- Net change in fair value loss (unrealised)	-	1,544	-	-	(206)
- Net change in fair value gain (realised)	632	-	-	-	-
- Net change in fair value loss (unrealised) recognised in Finance cost [refer note 13(d)]	-	-	-	895	-
Derecognised on account of receipt of Working capital Claw back [refer note 39(b)]	(1,382)	-	-	-	-
At March 31, 2025	-	8,970	2,054	6,596	956
- Net change in fair value loss/(gain) (unrealised)	-	(533)	-	-	(241)
- Fair value changes upon settlement (Refer note 39(b))	-	9,118	-	-	-
- Net change in fair value loss (unrealised) recognised in Finance cost [refer note 13(d)]	-	-	-	322	-
- Derecognised on account of conversion of CCPS to Equity shares (Refer note 12 (a) (ii)(c) and 18 (a))	-	(17,555)	-	-	-
- Net gain on account of derecognition, recorded in equity	-	-	-	-	(715)
At March 31, 2026	-	-	2,054	6,918	-

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BIOCON BIOLOGICS LIMITED
Notes to consolidated financial statements for the year ended March 31, 2026
(All amounts are in Indian Rupees Million, except share data and per share data, unless otherwise stated)

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 (refer note 13).

(ii) Credit risk

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

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

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables, unbilled revenue and other receivables. The exposure to credit risk as at reporting date amounts to Rs 391 (March 31, 2025: Rs 276).

Allowance for impairment	March 31, 2026	March 31, 2025
Opening balance	276	297
Impairment loss recognised*	143	250
Settled during the year	(28)	(271)
Closing balance	391	276

*Refer to Note 10 for details of ageing of trade receivables and allowance for credit losses. Other than trade receivables the Company has no significant class of financial assets that is past due but not impaired.

There are no significant customers which is more than 10% of the total revenue of the Group for the year ended March 31, 2026 (March 31, 2025: One customer accounted for Rs 10,971).

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

(iii) Liquidity risk

Liquidity risk is the risk that the 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 (refer note 13).

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

Particulars	Less than 1 year	1 - 2 years	2-5 years	>5 years	Total
Borrowings	37,379	10,385	100,881	-	148,645
Lease liabilities	628	613	471	22	1,734
Trade payables	57,132	-	-	-	57,132
Derivative liabilities	1,153	100	1	-	1,254
Other financial liabilities	7,082	5,550	-	-	12,632
Total	103,374	16,648	101,353	22	221,397

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

Particulars	Less than 1 year	1 - 2 years	2-5 years	>5 years	Total
Borrowings	40,896	4,404	113,744	900	159,944
Lease liabilities	562	142	1,301	52	2,057
Trade payables	53,901	-	-	-	53,901
Derivative liabilities	394	213	959	-	1,566
Other financial liabilities	6,331	14,096	-	-	20,427
Total	102,084	18,855	116,004	952	237,895

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BIOCON BIOLOGICS LIMITED

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

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

(iv) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates, interest rates and equity prices.

Foreign currency risk

The Group operates internationally and a major portion of the business is transacted in several currencies and consequently, the Group is exposed to foreign exchange risk through operating and borrowing activities in foreign currency. The Group holds derivative instruments such as cash flow hedge contracts, 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, 2026 and March 31, 2025 are expressed in Indian Rupees Million as below:

March 31, 2026	USD	EUR	Others
Financial assets			
Investments	36	-	-
Trade receivables	28,761	9,545	1,751
Cash and cash equivalents	14,229	3,288	1,032
Other bank balance	280	-	-
Derivative assets	48	-	-
Other financial assets	1,011	27	149
Financial liabilities			
Non-current borrowings	(100,881)	-	(912)
Current borrowings	(2,430)	-	(3,050)
Derivative liabilities	(1,255)	-	-
Trade payables	(29,062)	(16,653)	(5,565)
Lease liabilities	(236)	(252)	(58)
Other financial liabilities	(10,846)	(234)	(206)
Net liabilities	(100,345)	(4,279)	(6,859)
March 31, 2025	USD	EUR	Others
Financial assets			
Investments	15	-	-
Trade receivables	30,402	6,468	2,753
Cash and cash equivalents	17,820	2,508	831
Other bank balance	20	-	-
Derivative assets	295	-	-
Other financial assets	976	56	10
Financial liabilities			
Non-current borrowings	(94,826)	-	-
Current borrowings	(29,466)	-	-
Derivative liabilities	(610)	-	-
Trade payables	(29,370)	(13,725)	(7,225)
Lease liabilities	(303)	(104)	(50)
Other financial liabilities	(18,511)	(256)	(14)
Net liabilities	(123,558)	(5,053)	(3,695)

Sensitivity analysis

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

Particulars	Impact on profit or (loss)		Impact on other components of equity	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
USD Sensitivity				
INR/USD - Increase by 1%	(1,003)	(1,236)	(1,267)	(1,523)
INR/USD - Decrease by 1%	1,003	1,236	1,267	1,523
EUR Sensitivity				
INR/EUR - Increase by 1%	(43)	(51)	(43)	(51)
INR/EUR - Decrease by 1%	43	51	43	51

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BIOCON BIOLOGICS LIMITED**Notes to consolidated financial statements for the year ended March 31, 2026**

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

Derivative financial instruments

The following table gives details in respect of outstanding foreign exchange forward and option contracts:

Particulars	March 31, 2026 (in Million)	March 31, 2025
Foreign exchange forward contracts to sell between 0-2 Years	USD 42	USD 116
European style option contracts with periodical maturity dates between 0-2 Years	USD 99	USD 11
European style range forward contracts with periodical maturity dates between 0-2 Years	USD 40	USD 113
Interest rate swaps used for hedging SOFR component in external commercial borrowings and term loan	USD 553	USD 360
Foreign exchange forward contracts to buy between 0-2 Years -JPY	USD 3	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 111	EUR 112

Cash flow and fair value interest rate risk

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

(a) Interest rate risk exposure

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

Particulars	March 31, 2026	March 31, 2025
Variable rate borrowings	55,133	58,285
Fixed rate borrowings	93,512	1,01,659
Total borrowings	1,48,645	1,59,944

(b) Sensitivity

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

A reasonably possible change of 100 basis points in interest rates for variable rate borrowings at the reporting date would have increased (decreased) equity and profit or loss by Rs. 551 (March 31, 2025 : Rs. 583)

32. Capital management

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

The Group has issued NCRPS to the Holding Company which are classified as financial liabilities in these financial statements. However, the Group has considered NCRPS as part of capital for below disclosure.

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

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

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

Particulars	March 31, 2026	March 31, 2025
Total equity	2,42,836	1,96,928
Preference share capital (NCRPS)	2,054	2,054
Total capital attributable to the shareholders of the Company (including NCRPS)	2,44,890	1,98,982
As a percentage of total capital	63%	56%
Non-current borrowings *	1,09,212	1,04,272
Current borrowings	37,379	53,618
Total borrowings	1,46,591	1,57,890
As a percentage of total capital	37%	44%
Total capital (Equity capital, preference capital and borrowings)	3,91,481	3,56,873

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

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

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BIOCON BIOLOGICS LIMITED

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

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

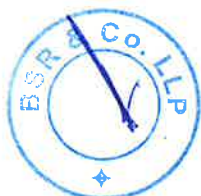
33. Interest in other entities

(a) Subsidiaries

The Group's subsidiaries as at March 31, 2026 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.

Name of entity	Country of incorporation	Ownership interest held by the Group (%)		Principal activities
		March 31, 2026	March 31, 2025	
Biocon Biologics International Limited (Erstwhile Biocon Biologics UK Limited)	United Kingdom	100	100	Investment in group companies
Biocon Sdn Bhd	Malaysia	100	100	Manufacturing and sale of biopharmaceutical products
Biocon Biologics Inc.	United States of America	100	100	Sale of biopharmaceutical products
Biocon Biologics Healthcare Malaysia Sdn Bhd	Malaysia	100	100	Sale of biopharmaceutical products
Biocon Biologics Do Brasil LTDA	Brazil	100	100	Sale of biopharmaceutical products
Biocon Biologics FZ LLC	United Arab Emirates	100	100	Sale of biopharmaceutical products
Biocon Biologics UK PLC (Erstwhile Biosimilars Newco Limited)	United Kingdom	100	100	Sale of biopharmaceutical products
Biocon Biologics Ireland Limited (Erstwhile Biosimilar Collaborations Ireland Limited)	Ireland	100	100	Sale of biopharmaceutical products
Biocon Biologics Germany GmbH	Germany	100	100	Sale of biopharmaceutical products
Biocon Biologics Canada Inc.	Canada	100	100	Sale of biopharmaceutical products
Biocon Biologics France S.A.S	France	100	100	Sale of biopharmaceutical products
Biocon Biologics Switzerland AG	Switzerland	100	100	Sale of biopharmaceutical products
Biocon Biologics Belgium BV	Belgium	100	100	Sale of biopharmaceutical products
Biocon Biologics Spain S.L.U	Spain	100	100	Sale of biopharmaceutical products
Biocon Biologics Finland OY	Finland	100	100	Sale of biopharmaceutical products
Biocon Biologics Greece SINGLE MEMBER P.C	Greece	100	100	Sale of biopharmaceutical products
Biocon Biologics (Thailand) Co., Ltd.	Thailand	100	100	Sale of biopharmaceutical products
Biocon Biologics Morocco S.R.L.A.U	Morocco	100	100	Sale of biopharmaceutical products
Biocon Biologics South Africa (Pty) Ltd.	South Africa	100	100	Sale of biopharmaceutical products
Biocon Biologics Philippines Inc.	Philippines	100	100	Sale of biopharmaceutical products
Biocon Biologics ITALY S.R.L.	Italy	100	100	Sale of biopharmaceutical products
Biocon Biologics Croatia LLC	Croatia	100	100	Sale of biopharmaceutical products
Biocon Biologics Global PLC	United Kingdom	100	100	Sale of biopharmaceutical products
Biocon Biologics Employees Welfare Trust	India	100	100	Employees Welfare Trust
Biocon Biologics Limited Employees Group Gratuity Trust	India	100	100	Employees Group Gratuity Trust

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BIOCON BIOLOGICS LIMITED

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

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

34. Additional Information, as required under Schedule III of the Act, of enterprises consolidated as subsidiary

Name of Entity	Net assets as at March 31, 2026		Share in profit or loss for the year ended March 31, 2026		Share in other comprehensive (loss)/ income for the year ended March 31, 2026		Share in total comprehensive (loss)/ income for the year ended March 31, 2026	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive (loss) / income	Amount	As a % of consolidated total comprehensive (loss) / income	Amount
Holding Company								
Biocon Biologics Limited	39%	1,99,367	87%	(6,966)	130%	(169)	88%	(7,135)
Subsidiaries								
Foreign								
Biocon Sdn Bhd	1%	3,308	(20%)	1,599	0%	-	(20%)	1,599
Biocon Biologics International Limited (Erstwhile Biocon Biologics UK Limited)	25%	1,23,535	1%	(21)	0%	-	1%	(21)
Biocon Biologics Healthcare Malaysia Sdn Bhd	0%	(3)	0%	-	0%	-	0%	-
Biocon Biologics Inc	1%	3,091	(14%)	1,098	0%	-	(14%)	1,098
Biocon Biologics Canada Inc.	0%	183	(1%)	81	0%	-	(1%)	81
Biocon Biologics Do Brasil LTDA	0%	95	0%	19	0%	-	0%	19
Biocon Biologics FZ LLC	0%	121	0%	10	0%	-	0%	10
Biocon Biologics UK PLC (Erstwhile Biosimilars Newco Limited)	24%	1,25,159	32%	(2,527)	(30%)	39	32%	(2,487)
Biocon Biologics Ireland Limited (Erstwhile Biosimilar Collaborations Ireland Limited)	11%	59,247	21%	(1,713)	0%	-	21%	(1,713)
Biocon Biologics France S.A.S	0%	189	0%	7	0%	-	0%	7
Biocon Biologics Germany GMBH	0%	368	(2%)	172	0%	-	(2%)	172
Biocon Biologics Switzerland AG	0%	23	0%	11	0%	-	0%	11
Biocon Biologics Belgium.	0%	22	0%	11	0%	-	0%	11
Biocon Biologics Spain S.L.U	0%	33	0%	15	0%	-	0%	15
Biocon Biologics Finland OY	0%	9	0%	4	0%	-	0%	4
Biocon Biologics Greece SINGLE MEMBER P.C	0%	37	0%	16	0%	-	0%	16
Biocon Biologics (Thailand) Co., Ltd.	0%	75	0%	4	0%	-	0%	4
Biocon Biologics Morocco S.R.L	0%	91	0%	24	0%	-	0%	24
Biocon Biologics South Africa (Pty) Ltd.	0%	5	0%	3	0%	-	0%	3
Biocon Biologics Philippines Inc.	0%	25	0%	4	0%	-	0%	4
Biocon Biologics Italy S.R.L.	0%	7	0%	4	0%	-	0%	4
Biocon Biologics Croatia LLC	0%	8	0%	6	0%	-	0%	6
Biocon Biologics Global PLC	0%	246	(2%)	150	0%	-	(2%)	150
Indian								
Biocon Biologics Employees Welfare Trust	0%	-	0%	-	0%	-	0%	-
Biocon Biologics Limited Employees Group Gratuity Trust	0%	-	0%	-	0%	-	0%	-
Gross Total	100%	5,15,241	100%	(7,989)	100%	(130)	100%	(8,118)
Adjustment arising on consolidation		(2,72,405)		270		18,507		18,776
Total		2,42,836		(7,719)		18,377		10,658



BIOCON BIOLOGICS LIMITED

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

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

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 (loss)/ income for the year ended March 31, 2025		Share in total comprehensive (loss) / 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 (loss) / income	Amount	As a % of consolidated total comprehensive (loss) / income	Amount
Holding Company								
Biocon Biologics Limited	39%	1,87,750	124%	8,305	20%	(216)	144%	8,089
Subsidiaries								
Foreign								
Biocon Sdn Bhd	0%	(551)	6%	371	0%	-	7%	371
Biocon Biologics International Limited								
(Erstwhile Biocon Biologics UK Limited)	26%	1,17,625	22%	1,413	0%	-	26%	1,413
Biocon Biologics Healthcare Malaysia Sdn Bhd	0%	(2)	0%	(1)	0%	-	0%	(1)
Biocon Biologics Inc	0%	1,705	15%	975	0%	-	17%	975
Biocon Biologics Canada Inc.	0%	93	1%	67	0%	-	1%	67
Biocon Biologics Do Brasil LTDA	0%	73	0%	(14)	0%	-	0%	(14)
Biocon Biologics FZ LLC	0%	103	0%	10	0%	-	0%	10
Biocon Biologics UK PLC (Erstwhile Biosimilars Newco Limited)	24%	1,14,231	(61%)	(4,117)	80%	(874)	(88%)	(4,991)
Biosimilar Collaborations Ireland Limited	12%	55,758	(10%)	(688)	0%	-	(12%)	(688)
Biocon Biologics France S.A.S	0%	134	1%	81	0%	-	1%	81
Biocon Biologics Germany GMBH	0%	136	2%	124	0%	-	2%	124
Biocon Biologics Switzerland AG	0%	11	0%	8	0%	-	0%	8
Biocon Biologics Belgium.	0%	12	0%	9	0%	-	0%	9
Biocon Biologics Spain S.L.U	0%	16	0%	15	0%	-	0%	15
Biocon Biologics Finland OY	0%	5	0%	4	0%	-	0%	4
Biocon Biologics Greece SINGLE MEMBER P.C	0%	17	0%	13	0%	-	0%	13
Biocon Biologics (Thailand) Co., Ltd.	0%	63	0%	1	0%	-	0%	1
Biocon Biologics Morocco S.R.L	0%	59	0%	16	0%	-	0%	16
Biocon Biologics South Africa (Pty) Ltd.	0%	2	0%	2	0%	-	0%	2
Biocon Biologics Philippines Inc.	0%	21	0%	4	0%	-	0%	4
Biocon Biologics Italy S.R.L.	0%	3	0%	2	0%	-	0%	2
Biocon Biologics Croatia LLC	0%	2	0%	2	0%	-	0%	2
Biocon Biologics Global PLC	0%	104	2%	102	0%	-	2%	102
Indian								
Biocon Biologics Employees Welfare Trust	0%	-	0%	-	0%	-	0%	-
Biocon Biologics Limited Employees Group Gratuity Trust	0%	-	0%	-	0%	-	0%	-
Gross Total	100%	4,77,370	100%	6,704	100%	(1,090)	100%	5,614
Adjustment arising on consolidation		(2,80,442)		2,192		5,174		7,366
Total		1,96,928		8,896		4,084		12,980



BIOCON BIOLOGICS LIMITED
Notes to consolidated financial statements for the year ended March 31, 2026
(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)

35. Contingent liabilities and commitments
(to the extent not provided for)

(i) Contingent liabilities

(a) Claims against the Group not acknowledged as debt

	March 31, 2026	March 31, 2025
	1,248	1,232
The above includes		
(i) Direct taxation	1,034	1,094
(ii) Indirect taxation (includes matters pertaining to disputes on VAT and CST)	150	138
(iii) Other matters	64	-

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 substantially over time as each of the matter progresses depending on experience on actual assessment proceedings by tax authorities and other judicial precedents. Based on its internal assessment supported by external legal counsel views, if any, the 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 will not have any material adverse effect on the Group's financial position and results of operations.

(ii) Commitments:

(b) Estimated amount of contracts remaining to be executed on capital account and not provided for
(c) Other commitments

8,868	6,007
39	-

36. Earnings / (Loss) per equity share (EPS) / (LPS) :

(Loss) / Profit attributable to equity shareholders for the year

For Basic EPS / LPS
Add: Net loss / (gain) on financial liabilities measured at fair value through profit or loss
For Dilutive EPS / LPS

	Year ended March 31, 2026	Year ended March 31, 2025
	(7,719)	8,896
	-	(206)
	(7,719)	8,690

Weighted average number of equity shares

For computing basic EPS [refer note (a) below]
Adjustments for calculation of diluted earnings per share [refer note (b)] :
- Employee stock options
- CCD
For computing diluted EPS

1,61,09,70,780	1,56,24,44,686
-	80,50,441
-	30,35,743
1,61,09,70,780	1,57,35,30,870

(Loss) / Earnings per equity share

Basic (in Rs)
Diluted (in Rs)

(4.79)	5.69
(4.79)	5.52

(a) Excludes Treasury shares

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

37. Segmental reporting

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

Geographical segment

For details of revenue by geography please refer to note 19.1 and major customer refer to note 19.5

Non-current assets

Particulars	March 31, 2026	March 31, 2025
India	32,190	35,329
Europe	69,783	65,673
UK	2,14,637	1,99,731
Malaysia	40,263	31,934
Rest of the world	271	320
Total	3,57,144	3,32,987

Note: Non-current assets excludes derivative assets, income tax and deferred tax assets.



BIOCON BIOLOGICS LIMITED

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

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

38. Employee stock compensation

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

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

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

b) Biocon Biologics Limited Restricted Stock Units Plan 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 Limited Employees Welfare Trust.

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

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

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

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

- i) 100% of the total grant at the end of first year from the date of grant.
- ii) 33%, 33% and 34% of the total grant at the end of first, second and third year, respectively from the date of grant.
- iii) 100% of the total grant at the end of third year from the date of grant.

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.

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BIOCON BIOLOGICS LIMITED
Notes to consolidated financial statements for the year ended March 31, 2026
(All amounts are in Indian Rupees millions, except share data and per share data, unless otherwise stated)

During the year, the Group has accelerated the vesting of certain RSUs and has recognised the related expense under exceptional items. Refer Note 39

Particulars	March 31, 2026		March 31, 2025	
	No of Options	Weighted Average Exercise Price	No of Options	Weighted Average Exercise Price
RSU Plan 2022				
Outstanding at the beginning of the year	59,56,010	10	68,16,996	10
Granted during the year	-	10	-	10
Lapses/forfeited during the year	10,726	10	3,59,607	10
Exercised/Settled in cash during the year*	59,45,284	10	5,01,379	10
Expired during the year	-	-	-	-
Outstanding at the end of the year	-	10	59,56,010	10
Exercisable at the end of the year	-	-	59,56,010	10
Weighted average remaining contractual life (in years)	-	-	2.6	-
Weighted average fair value of options granted	-	-	240.4	-
RSU Plan 2023				
Outstanding at the beginning of the year	12,32,434	10	15,82,620	10
Granted during the year	7,08,704	10	-	10
Lapses/forfeited during the year	1,71,475	10	3,50,186	10
Exercised/Settled in cash during the year*	11,12,983	10	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	6,56,680	10	12,32,434	10
Exercisable at the end of the year	-	-	3,38,530	10
Weighted average remaining contractual life (in years)	0.3	-	4.0	-
Weighted average fair value of options granted	301.3	-	241.4	-
RSU Plan 2025				
Outstanding at the beginning of the year	38,67,145	-	-	-
Granted during the year	31,56,168	10	38,82,367	-
Lapses/forfeited during the year	2,78,021	10	15,222	-
Exercised/Settled in cash during the year*	36,57,889	10	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	30,87,403	10	38,67,145	-
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years)	4.7	-	4.7	-
Weighted average fair value of options granted	301.8	-	301.8	-

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

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

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	For options granted in	
	March 31, 2026 RSU Plan 2025	March 31, 2025 RSU Plan 2022
Weighted Average Exercise Price	10	10
Expected volatility #	30.4% - 33.8%	30.4% - 33.8%
Life of the options granted (vesting and exercise period) in years	5	5
Average risk-free interest rate	6.5% - 6.7%	6.5% - 6.7%
Expected dividend rate	0%	0%

The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

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

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

Total number of options outstanding	March 31, 2026	March 31, 2025
ESOP Plan 2000	85,660	4,90,870
RSU Plan 2019 #	21,21,316	21,21,316

adjusted for the impact of bonus issue

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



BIOCON BIOLOGICS LIMITED**Notes to consolidated financial statements for the year ended March 31, 2026**

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

39. Exceptional item**For the year ended March 31, 2026**

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

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

On December 6, 2025, Biocon Limited entered into Share Swap and Share Purchase Agreement (SSPA) with Mylan Inc. Pursuant to the SSPA, Mylan Inc. converted 23,11,63,944 CCPS issued by the company into equity shares. Upon conversion, the Company issued additional 61,562,420 equity shares (in accordance with Shareholder's agreement), having an aggregate fair value of Rs. 17,555. At the date of conversion of CCPS to Equity, the carrying value of the related derivative liability, determined with reference to the timing and probability of the additional share issuance amounted to Rs. 8,437. This fair value changes resulted in a loss of Rs. 9,118 which is recorded within "Exceptional Items" in the consolidated statement of profit and loss. Further, as part of the overall arrangement with Mylan Inc., the Group relinquished the right on Rs. 718 receivable due from Mylan Inc. and recorded the loss within exceptional items. The associated tax impact of Rs. 101 is included in the tax expense for the year ended March 31, 2026.

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

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

e) During the year ended March 31, 2025, the Group invested Rs. 25 in the equity shares issued by Indian Foundation for Quality Management (IFQM) a Company incorporated under section 8 of the Companies Act, 2013. As at March 31, 2025, the Company has fair valued such investment and has recorded fair value charge of Rs. 25 under "Exceptional Items" in the statement of profit and loss.

f) During the year ended 31, 2026, the Group had reached settlement on a litigation matter with one of its customers for a settlement amount of Rs. 291 and disclosed under "Exceptional Item". The associated tax impact of Rs. 73 is included in the tax expense for the for the year ended March 31, 2026.

h) On December 6, 2025, the Company and Biocon Limited announced a strategic corporate action to fully integrate the Company into Biocon Limited as a wholly owned subsidiary. Pursuant to this, the Group has accounted for expenses towards termination benefit payments for certain employees, consultant fees for integration of businesses, employee stock option cost towards acceleration of vesting of ESOPs/RSUs aggregating to Rs 766 in the consolidated financial statements. Considering the nature, significance, and non-recurring nature of these benefits, the related expenses have been disclosed as exceptional items. The related tax impact of Rs. 122 has been included in the tax expense.

For the year ended March 31, 2025

g) During the year ended March 31, 2025, the Group had raised fund 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 were 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 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 for the year ended March 31, 2025.

h) During the year ended March 31, 2025, the Group had settled the working capital Rs. 2,518 (balance contingent consideration receivable of USD 30 million out of the total contingent consideration receivable of Rs. 20,835[USD 250 Million] under the terms of definitive agreement). The Group had recorded these receivables at fair value of Rs. 1,382 at the time of settlement having regard to the timing and probability of recovery. The resulting difference of Rs. 1,136 was recorded as a gain in the statement of profit and loss as an exceptional item in the consolidated financial statements. Consequential tax impact of Rs. 284 was included within tax expense for the year ended March 31, 2025.

i) During the year ended March 31, 2025, the Group liquidated inventory amounting to Rs. 886, the provision for which was recorded within exceptional item in earlier period. Hence, the provision for such inventory has been reversed with a corresponding credit to exceptional item in the consolidated financial statements. The associated tax impact of Rs. 145 is included in the tax expense for the year ended March 31, 2025.

40. Other statutory information

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

(ii) The Company did not have any 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 Company do 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.



BIOCON BIOLOGICS LIMITED

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

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

41. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries).

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

42. Events after reporting date:

The Holding Company has exercised its right to convert OCD and CCD (Refer note 13) and these instruments are converted into equity shares on May 7, 2026.

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

Firm Registration Number: 101248W/W-100022


Sanjay Sharma
Partner
Membership No.: 063980

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



Shreehas P Tambe
CEO and Managing Director
DIN: 09796480



Arun Chandavarkar
Director
DIN: 01596180



Kedar Upadhye
Chief Financial Officer



Akhilesh Kumar Nand
Company Secretary
Membership No.: A13669



Bengaluru

Date: May 07, 2026

Bengaluru

Date: May 07, 2026