Independent Auditor's Report

To the Members of **Syngene International Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Syngene International Limited (hereinafter referred to as the "Holding Company") including its employee welfare trust ("Trust") and its subsidiaries (Holding Company 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, 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 profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

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

Revenue from operations

Refer Note 2(l) and 18 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
• The Group's revenue is derived from contract research, development and manufacturing activities. • Overstatement of revenue is a presumed fraud risk considering the Group has pressure to meet external market expectations of reporting higher revenues. • The Group has various contractual arrangements with customers which are entered into at various stages of research and development. The Group, in line with Ind AS 115 recognises revenue based on the contractual terms and performance obligations with customers.	Our audit procedures in relation to revenue recognition includes the following: • We have assessed the appropriateness of the Group's revenue recognition accounting policies and assessed compliance with the policies in terms of applicable accounting standards. • We tested the design, implementation and operating effectiveness of the Group's controls around revenue recognition including general IT controls and key IT application controls.

Revenue from operations	
Refer Note 2(l) and 18 to the consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
• The Group, in certain instances, also has bill and hold arrangements that meet the criteria mentioned for such arrangements under Ind AS 115: Revenue from Contracts with Customers, wherein revenues are recognized prior to the physical transfer of the good on the basis of specific requests from the customers to hold back the delivery of goods at period end. • The above factors result in revenue being identified as a key audit matter.	• We have performed substantive testing (including year-end cut-off testing) by selecting samples of revenue transactions recorded during the year and verifying the underlying documents, which includes sales invoices/ contracts, shipping and delivery documents. • We have tested the specific requests from customers at the period end to evaluate transfer of control relating to the bill and hold arrangements. We evaluated the timing of recognition of revenue from these arrangements for compliance with Ind AS 115: Revenue from Contracts with Customers. • We have assessed journal entries posted to revenue to identify unusual items not already covered by our audit testing.

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

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

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

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

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

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

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

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group 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 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.

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

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

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

Report on Other Legal and Regulatory Requirements

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

2 A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

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

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

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

e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2026 taken on record by the Board of Directors of the Holding Company and its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India 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 its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group. Refer Note 31 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 28 to the consolidated financial statements in respect of such items as it relates to the Group.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2026. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by its subsidiary companies incorporated in India during the year ended 31 March 2026.

d (i) The management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented that, to the best of their knowledge and belief, as disclosed in the Note 39(v) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented that, to the best of their knowledge and belief, as disclosed in the Note 39(vi) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

e. The final dividend paid by the Holding Company and one of its subsidiary companies incorporated in India during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 45 to the consolidated financial statements, the Board of Directors of the Holding Company and one of its subsidiary companies incorporated in India have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, except for the instances mentioned below, the Group has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software:

i. For data changes performed by users having privileged access (debug)

ii. At the application level for certain fields / tables relating to all the significant financial processes

Further, where audit trail (edit log) facility was enabled, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Group as per the statutory requirements for record retention.

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

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. During the year, no remuneration has been paid by the subsidiary companies to the directors. 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

G Prakash
Partner
Membership No.: 099696
ICAI UDIN:26099696VRVQSB1226

Place: Bengaluru
Date: 29 April 2026

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Syngene International 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) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their report under the Companies (Auditor's Report) Order, 2020 (CARO):

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

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

G Prakash
Partner
Membership No.: 099696
ICAI UDIN:26099696VRVQSB1226

Place: Bengaluru
Date: 29 April 2026

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Syngene International 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 Syngene International 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 and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

G Prakash
Partner
Membership No.: 099696
ICAI UDIN:26099696VRVQSB1226

Place: Bengaluru
Date: 29 April 2026

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	31 March 2026	31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3 (a)	25,454	23,226
Capital work-in-progress	3 (a)	10,404	12,614
Right-of-use assets	3 (b)	3,845	4,192
Investment property	3 (c)	315	343
Other intangible assets	4 (a)	386	256
Intangible assets under development	4 (b)	53	47
Financial assets			
(i) Investments	5(a)	2,850	362
(ii) Derivative assets		317	1,706
(iii) Other financial assets	6(a)	3,100	454
Deferred tax assets (net)	7	1,007	295
Income tax assets (net)		1,267	1,243
Other non-current assets	8(a)	121	349
Total non-current assets		**49,119**	**45,086**
Current assets			
Inventories	9	1,413	1,555
Financial assets			
(i) Investments	5(b)	4,561	6,105
(ii) Trade receivables	10	5,088	5,267
(iii) Cash and cash equivalents	11(a)	2,286	3,671
(iv) Bank balances other than (iii) above	11(b)	6,044	4,199
(v) Derivative assets		69	532
(vi) Other financial assets	6(b)	304	244
Other current assets	8(b)	1,663	1,300
Total current assets		**21,428**	**22,873**
Total assets		**70,547**	**67,959**

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	31 March 2026	31 March 2025
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12 (a)	4,029	4,025
Other equity	12 (b)	44,362	43,243
Total equity		**48,391**	**47,268**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	35	3,985	4,088
(ii) Derivative liabilities		488	18
(iii) Other financial liabilities	17	1	-
Provisions	14(a)	180	433
Other non-current liabilities	15(a)	1,979	2,188
Total non-current liabilities		**6,633**	**6,727**
Current liabilities			
Financial liabilities			
(i) Borrowings	13(b)	94	1,196
(ii) Lease liabilities	35	505	495
(iii) Trade payables	16		
Total outstanding dues of micro and small enterprises		588	341
Total outstanding dues of creditors other than micro and small enterprises		2,887	3,179
(iv) Derivative liabilities		1,145	56
(v) Other financial liabilities	17	1,100	704
Provisions	14(b)	1,144	713
Current tax liabilities (net)		277	84
Other current liabilities	15(b)	7,783	7,196
		15,523	**13,964**
Total equity and liabilities		**70,547**	**67,959**

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 No: 101248W/W-100022

G Prakash
Partner
Membership number: 099696

Bengaluru
29 April 2026

for and on behalf of **Board of Directors of Syngene International Limited**

Kiran Mazumdar-Shaw
Chairperson
DIN: 00347229

Peter Bains
Managing Director & Chief Executive Officer
DIN: 00430937

Deepak Jain
Chief Financial Officer

Chethan Yogesh
Company Secretary
FCS Number: F-9445

Bengaluru
29 April 2026

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 31 March 2026	Year ended 31 March 2025
Income			
Revenue from operations	18	37,387	36,424
Other income	19	707	718
Total income		**38,094**	**37,142**
Expenses			
Cost of chemicals, reagents and consumables consumed	20	9,112	9,254
Changes in inventories of finished goods and work-in-progress	21	74	171
Employee benefits expense	22	11,049	9,839
Finance costs	23	488	531
Depreciation and amortisation expense	24	4,529	4,326
Other expenses	25	7,358	6,723
Foreign exchange fluctuation (gain)/loss, net		609	19
Total expenses		**33,219**	**30,863**
Profit before tax and exceptional items		4,875	6,278
Exceptional items, net gain/ (loss)	36	(766)	320
Profit before tax		**4,109**	**6,599**
Tax expense	30		
Current tax		870	1,384
Deferred tax			
MAT credit entitlement		329	402
Other deferred tax		(257)	(149)
Total tax expense		**942**	**1,637**
Profit for the year		**3,167**	**4,962**
Other comprehensive income			
(i) Items that will not be reclassified subsequently to profit or loss			
Re-measurement on defined benefit plans		(63)	11
Changes in the Fair Value of equity investments at FVTOCI		-	18
Income tax effect		16	(9)
Net other comprehensive income not to be reclassified subsequently to profit or loss		**(47)**	**20**

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 31 March 2026	Year ended 31 March 2025
(ii) Items that will be reclassified subsequently to profit or loss			
Effective portion of gains/(losses) on hedging instrument in cash flow hedges		(3,082)	(146)
Exchange difference on translation of foreign operations		403	(64)
Income tax effect		766	44
Net other comprehensive income to be reclassified subsequently to profit or loss		**(1,913)**	**(167)**
Other comprehensive income/(loss) for the year, net of taxes		**(1,960)**	**(147)**
Total comprehensive income for the year		**1,207**	**4,815**
Profit attributable to:			
Shareholders of the Company		3,167	4,962
Non-controlling interest		-	-
Profit for the year		**3,167**	**4,962**
Other comprehensive income attributable to:			
Shareholders of the Company		(1960)	(147)
Non-controlling interest		-	-
Other comprehensive income for the year		**(1960)**	**(147)**
Total comprehensive income attributable to:			
Shareholders of the Company		1,207	4,815
Non-controlling interest		-	-
Total comprehensive income for the year		**1,207**	**4,815**
Earnings per equity share	38		
Basic (in Rs)		7.87	12.35
Diluted (in Rs)		7.87	12.34

* Less than Rs. 0.5 million.

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 No: 101248W/W-100022

G Prakash
Partner
Membership number: 099696

Bengaluru
29 April 2026

for and on behalf of **Board of Directors of Syngene International Limited**

Kiran Mazumdar-Shaw
Chairperson
DIN: 00347229

Peter Bains
Managing Director & Chief Executive Officer
DIN: 00430937

Deepak Jain
Chief Financial Officer

Chethan Yogesh
Company Secretary
FCS Number: F-9445

Bengaluru
29 April 2026

Syngene

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)

(A) Equity share capital	31 March 2026	31 March 2025
Opening balance	4,025	4,020
Changes in equity share capital	4	5
Closing balance	**4,029**	**4,025**

(B) Other equity [refer note 12(b)]

Particulars	Reserves and surplus								Items of other comprehensive income			
	Securities premium	General reserve	Capital reserve	Treasury shares	Retained earnings	Re-measurement on defined benefit plans	Special Economic Zone (SEZ) reinvestment reserve	Share based payment	Foreign currency translation reserve	Cash flow hedging reserves	Other items of other comprehensive income	Total other equity
Balance as at 1 April 2024	**2,167**	**261**	**39**	**(53)**	**34,361**	**80**	**-**	**690**	**-**	**1,073**	**(61)**	**38,558**
Profit for the year	-	-	-	-	4,962	-	-	-		-	-	4,962
Other comprehensive income, net of tax	-	-	-	-	-	8	-	-	(64)	(102)	12	(147)
Total comprehensive income for the year	**-**	**-**		**-**	**4,962**	**8**	**-**	**-**	**(64)**	**(102)**	**12**	**4,815**
Transactions recorded directly in equity												
Loss of the Trust	-	-	-	-	(1)	-	-	-	-	-	-	(1)
Exercise of share options	270	-	-	-	-	-	-	(270)	-	-	-	-
Dividend	-	-	-	-	(503)	-	-	-	-	-	-	(503)
Share based payment	-	-	-	-	-	-	-	373	-	-	-	373
Transfer to SEZ reinvestment reserve	-	-	-	-	(360)	-	360	-	-	-	-	-
Transfer from SEZ reinvestment reserve	-	-	-	-	360	-	(360)	-	-	-	-	-
Balance as at 31 March 2025	**2,437**	**261**	**39**	**(53)**	**38,820**	**88**	**-**	**794**	**(64)**	**971**	**(49)**	**43,243**
Profit for the year	-	-	-	-	3,167	-	-	-		-	-	3,167
Other comprehensive income, net of tax	-	-	-	-	-	(47)	-	-	403	(2,316)		(1,960)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**3,167**	**(47)**	**-**	**-**	**403**	**(2,316)**	**-**	**1,207**
Transactions recorded directly in equity												
Profit of the Trust	-	-	-	-	2	-	-	-	-	-	-	2
Exercise of share options	269	-	-	-	-	-	-	(269)	-	-	-	-
Dividend	-	-	-	-	(504)	-	-	-	-	-	-	(504)
Share based payment	-	-	-	-	-	-	-	413	-	-	-	413
Transfer to SEZ reinvestment reserve	-	-	-	-	(300)	-	300	-	-	-	-	-
Transfer from SEZ reinvestment reserve	-	-	-	-	300	-	(300)	-	-	-	-	-
Balance as at 31 March 2026	**2,706**	**261**	**39**	**(53)**	**41,486**	**41**	**-**	**937**	**338**	**(1,345)**	**(49)**	**44,362**

* Less than Rs. 0.5 million.

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 No: 101248W/W-100022

G Prakash
Partner
Membership number: 099696

Bengaluru
29 April 2026

for and on behalf of **Board of Directors of Syngene International Limited**

Kiran Mazumdar-Shaw
Chairperson
DIN: 00347229

Peter Bains
Managing Director & Chief Executive Officer
DIN: 00430937

Deepak Jain
Chief Financial Officer

Chethan Yogesh
Company Secretary
FCS Number: F-9445

Bengaluru
29 April 2026

Consolidated 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 31 March 2026	Year ended 31 March 2025
I	**Cash flows from operating activities**		
	Profit for the year	3,167	4,962
	Adjustments to reconcile profit after tax to net cash flows		
	Depreciation and amortisation expense	4,529	4,326
	Gain on remeasurement of lease	-	(32)
	Loss on assets scrapped	28	26
	Provision for doubtful receivables	(61)	49
	Bad debts written off	2	30
	Loss on write off of receivables arising from cumulative foreign exchange movements	277	-
	Advances to suppliers written off	37	-
	Share based compensation expense	413	373
	Finance Cost	488	531
	Unrealised foreign exchange loss/(gain)	37	37
	Net gain on sale of current investments	(94)	(159)
	Interest income	(602)	(512)
	Interest on Income Tax Refund	(11)	(47)
	Provision for inventory obsolescence	112	88
	Tax expenses	942	1,636
	Operating profit before working capital changes	**9,264**	**11,308**
	Movements in working capital		
	Decrease/ (increase) in inventories	30	743
	Decrease/ (increase) in trade receivables	(199)	(939)
	Decrease/ (increase) in other assets	(1,461)	(126)
	Increase/ (decrease) in trade payables, other liabilities and provisions	2,211	1,843
	Cash generated from operations	**9,845**	**12,829**
	Income taxes paid (net of refunds)	(693)	(1,153)
	Net cash flow generated from operating activities	**9,152**	**11,676**
II	**Cash flows from investing activities**		
	Purchase of property, plant and equipment	(3,440)	(7,603)
	Purchase of other intangible assets	(242)	(98)
	Investment in equity shares	(35)	-
	Investment in bank deposits and inter corporate deposits	(13,828)	(12,099)
	Redemption/ maturity of bank deposits and inter corporate deposits	7,945	12,738
	Interest received	508	503
	Proceeds from sale of current investments	21,222	22,547
	Purchase of current investments	(20,734)	(23,435)
	Net cash flow used in investing activities	**(8,604)**	**(7,447)**
III	**Cash flows from financing activities**		
	Proceeds from issue of equity shares	4	5
	Repayment of long term borrowings (including current portion)	-	(417)
	Proceeds/ (repayments) from short term borrowings, net	(996)	171
	Lease liabilities paid including interest	(548)	(536)

Consolidated 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 31 March 2026	Year ended 31 March 2025
	Dividend paid	(504)	(503)
	Interest paid	(106)	(138)
	Net cash flow used in financing activities	**(2,150)**	**(1,417)**
IV	**Net increase/(decrease) in cash and cash equivalents (I+II+III)**	**(1,602)**	**2,812**
V	Effect of exchange difference on cash and cash equivalents held in foreign currency	217	3
VI	Cash and cash equivalents at the beginning of the year	3,671	857
VII	**Cash and cash equivalents at the end of the year (IV+V+VI)**	**2,286**	**3,671**
	Components of cash and cash equivalents as at the end of the year		
	Cash on hand	-*	-*
	Balances with banks	2,006	2,816
	Deposits with maturity of less than 3 months	280	855
	Total cash and cash equivalents [refer note 11(a)]	**2,286**	**3,671**
	Restricted cash balance [refer note 11 (ii)]	1	1

* Less than Rs. 0.5 million.

Change in liability arising from financing activities

	1 April 2025	Cash Flow	Non cash movement	31 March 2026
Borrowings (including current maturities)	1,196	(996)	(106)	94
Lease liability (including current)	4,584	(549)	455	4,490
	5,780	**(1,546)**	**350**	**4,584**

	1 April 2024	Cash Flow	Non cash movement	31 March 2025
Borrowings (including current maturities)	1,417	(246)	25	1,196
Lease liability (including current)	4,136	(536)	983	4,584
	5,553	**(782)**	**1,008**	**5,780**

Note: a) Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

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 No: 101248W/W-100022

G Prakash
Partner
Membership number: 099696

Bengaluru
29 April 2026

for and on behalf of **Board of Directors of Syngene International Limited**

Kiran Mazumdar-Shaw
Chairperson
DIN: 00347229

Peter Bains
Managing Director & Chief Executive Officer
DIN: 00430937

Deepak Jain
Chief Financial Officer

Chethan Yogesh
Company Secretary
FCS Number: F-9445

Bengaluru
29 April 2026

Notes to the 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)

1. Company Overview

1.1 Reporting entity

Syngene International Limited ("Syngene" or "the parent company" or "the Company"), together with its subsidiary (collectively, the "Group") is engaged in providing contract research and manufacturing services from lead generation to clinical supplies to pharmaceutical and biotechnology companies worldwide. Syngene's services include integrated drug discovery and development capabilities in medicinal chemistry, biology, in vivo pharmacology, toxicology, custom synthesis, process R&D, cGMP manufacturing, formulation and analytical development along with Clinical development services. The Company is a public limited company incorporated and domiciled in India and has its registered office in Bengaluru, Karnataka, India. The Company's shares are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) in India.

1.2 Basis of preparation of financial statements

a) Statement of compliance

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

The Company had incorporated its wholly owned overseas subsidiary, Syngene USA Inc., USA ('the Subsidiary') during the year ended 31 March 2018 and operational from 1st November 2017. Further, the Company incorporated two new entities i.e. Syngene Scientific Solutions Limited and Syngene Manufacturing Solutions Limited, operational from 10th August 2022 and 26th August 2022, respectively. Both the entities are wholly owned subsidiaries of the Company.

These consolidated financial statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, 31 March 2026. These consolidated financial statements were authorised for issuance by the Company's Board of Directors on 29 April 2026.

Details of the Group's material 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. Accordingly, the financial statements of subsidiaries are presented in INR except that of Syngene USA Inc. which are prepared in United States Dollar (USD).

c) Current/non-current distinction

An entity shall classify an asset as current when:

(a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle

(b) it holds the asset primarily for the purpose of trading

(c) it expects to realise the asset within twelve months after the reporting period or

(d) the asset is cash or a cash equivalent (as defined in Ind AS 7, Statement of Cash Flows) 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 shall be classified as non-current.

An entity shall classify a liability as current when:

(a) it expects to settle the liability in its normal operating cycle

(b) it holds the liability primarily for the purpose of trading

(c) the liability is due to be settled within twelve months after the reporting period or

(d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities shall be classified as non-current.

The operating cycle of an entity is the time between the acquisition of assets for processing and their realisation in the form of cash or cash equivalents. Where the entity's normal operating cycle is not clearly identifiable, its duration is assumed to be 12 months.

d) Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis (i.e. on accrual basis), except for the following items:

- Certain financial assets and liabilities (including derivative instruments) are measured at fair value;
- Net defined benefit assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations;

e) 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 consolidated financial statements in the period in which changes are made and their effects are disclosed in the notes to the consolidated financial statements.

Judgements

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

- Note 2(c) and 28 — Financial instruments;
- Note 2(d), 2(e) and 2(f) — Useful lives of property, plant and equipment, investment property and other intangible assets;

Notes to the 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)

- Note 2(g) and 43 — Business Combination
- Note 2(l) and 18 — Revenue Recognition: whether revenue from sale of compounds is recognised over time or at a point in time;
- Note 2(o), 30 and 31 — Provision for income taxes and related tax contingencies;
- Note 2(q) and 35 — Leases;

1.3 Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a potentially significant impact in the year ended 31 March 2025 is included in the following notes:

— Note 2(i)(i) and 28 – impairment of financial assets;

— Note 2(i)(ii) – impairment of non-financial assets;

— Note 2(j) and 27 – measurement of defined benefit obligations: key actuarial assumptions;

— Note 7 and 30 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used; and

— Note 14 and 31 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

— Note 34 – share based payments.

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).

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

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

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

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

— Note 2(c) and 28 – financial instruments;

— Note 3(c) – investment property; and

— Note 34 – share based payments;

2 Material accounting policies

a. Basis of consolidation

i. Subsidiary

Subsidiary is entity 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 kept consistent 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.

Notes to the 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)

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.

Under previous GAAP exchange differences arising on restatement of long-term foreign currency monetary items related to acquisition of depreciable assets was added to/ deducted from the cost of the depreciable assets. In accordance with Ind AS 101 First time adoption of Indian Accounting Standards the Group continues the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the financial statements as on 31 March 2016.

ii. Foreign operations

The assets and liabilities of foreign operations (subsidiary) 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 are initially recognised when they are originated and are measured at the transaction price. 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 (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

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

— amortised cost;

— 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 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.

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 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 or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss to retained earnings. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Notes to the 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)

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 28 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.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses classifiable as borrowing costs in accordance with Ind AS 23, "Borrowing Costs" are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

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.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial liabilities

The Group 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 and loss.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is 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 and loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to statement of profit and loss.

vi. Treasury shares

The Group has created an Employee Welfare Trust (EWT) for providing share-based payment to its employees. Own equity instruments that are acquired (treasury shares) are recognised at cost and deducted from equity. When the treasury shares are issued to the employees by EWT, the amount received is recognised as an increase in equity and the resultant gain / (loss) is transferred to / from securities premium.

The Group has adopted the policy to account for Employees Welfare Trust as a legal entity separate from the Company

Notes to the 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)

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.

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.

Cash dividend to equity holders

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

d. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of a self-constructed item of property, plant and equipment comprises its purchase price including import duty and non-refundable taxes or levies, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit 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 shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

ii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method. Freehold land and land under perpetual lease are not depreciated.

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

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

Asset	Asset classification	Management estimate of useful life	Useful life as per Schedule II
Building	Building	25-30 years	30 years
Plant and equipment (including electrical installation and laboratory equipment)	Plant and equipment	9-14 years	8-20 years
Computers and servers	Plant and equipment	3 years	3-6 years
Office equipment	Office equipment	3 years	5 years
Furniture and fixtures	Furniture and fixtures	6 years	10 years
Vehicles	Vehicles	6 years	6-10 years
Leasehold improvements	Building or Plant and equipment	Useful life 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.

e. Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Based on technical evaluation and consequent advice, the management believes a period of 3 to 25 years as representing the best estimate of the period over which investment property (which are quite similar) are expected to be used. Accordingly, the Group depreciates investment property over a period of 3 to 25 years on a straight-line basis. The estimated useful life of assets in investment property are different from the indicative useful lives of relevant type of asset mentioned in Part C of Schedule II to the act as follows:

Asset	Management estimate of useful life	Useful life as per Schedule II
Building	25 years	30 years
Plant and equipment (including electrical installation and laboratory equipment)	9-11 years	8-20 years

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for the year ended March 31, 2026

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

Asset	Management estimate of useful life	Useful life as per Schedule II
Computers	3 years	3-6 years
Office equipment	3 years	5 years
Furniture and fixtures	6 years	10 years

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

f. Other 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. 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 brands, is recognised in statement of profit and loss as incurred.

ii. Amortisation

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

— Computer software 5 years

— Intellectual property right 5-10 years

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

g. Business combination

In accordance with Ind AS 103, Business combinations, the Group accounts for business combinations after acquisition date using the acquisition method when control is transferred to the Group. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration and deferred consideration, if any. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred.

h. Inventories

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

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.

Chemicals, reagents and consumables held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

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

i. Impairment

i. Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets measured at amortised cost.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit losses. For all other financial assets, ECL are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

ii. Impairment of non-financial assets

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

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

The 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

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

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.

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

j. Employee benefits

i. Short-term employee benefits

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

ii. Post-employment benefits:

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

Gratuity

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

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

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

Provident Fund

Eligible employees of the Group receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the Group 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 Group has no further obligation to the plan beyond its monthly contributions. The Group's contribution to the provident fund is charged to Statement of Profit and Loss.

iii. Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using the projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised is the period in which the absences occur.

The liability in respect of all defined benefit plans and other long term benefits is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses on other long term benefits are recognised in the Statement of Profit and Loss in the year in which they arise. Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other equity in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

iv. Share-based compensation

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

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

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(All amounts are in Indian Rupees Million, 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 recognition:

i. Contract research and manufacturing services income

The Group derives revenues primarily from Contract research and manufacturing services income. Revenue is recognised upon transfer of control of promised services or compounds to customers in an amount that reflects the consideration we expect to receive in exchange for those services or compounds.

Arrangement with customers for Contract research and manufacturing services income are either on a time-and-material basis or fixed price.

In respect of contracts involving research services, in case of 'time and materials' contracts, contract research fee are recognised as services are rendered, in accordance with the terms of the contracts. Revenue from contracts are recorded net of allowances for estimated rebates and cash discounts, as per contractual terms.

Revenues relating to fixed price contracts are recognised based on the milestones completion and for manufacturing services (large molecules) revenue is recognised based on the percentage of completion method determined based on cost incurred as a proportion to total estimated cost. The Group monitors estimates of total contract revenue and cost on a routine basis throughout the contract period. The cumulative impact of any change in estimates of the contract revenue or costs is reflected in the period in which the changes become known. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss.

In respect of contracts involving sale of compounds arising out of contract research, revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment to the customer/ customer's acceptance. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from such sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

The consideration received by the Group in exchange for its goods may be fixed or variable. Variable consideration is only recognised when it is considered highly probable that a significant revenue reversal will not occur once the underlying uncertainty related to variable consideration is subsequently resolved.

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.

The Group collects Goods and service tax, (GST) as applicable, on behalf of the Government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

ii. Rental income

Rental income from investment property is recognised in statement of profit and loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

iii. Contribution received from customers towards property, plant and equipment

Contributions received from customers towards items of property, plant and equipment which require an obligation to supply services 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.

iv. Dividends

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

v. Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

m. Government grants

The Group recognises Government grants only at their fair value when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Government grants received in relation to assets are recognised as deferred income and amortised over the useful life of such asset. Grants related to income are recognised in statement of profit and loss as other operating revenues or deducted in reporting the related expense based on the terms of the grant, as applicable.

n. Foreign currency Transactions and translations:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at balance sheet date exchange rates are generally recognised in Statement of Profit and Loss.

Notes to the Consolidated Financial Statements

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

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income (OCI).

o. 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. Provision for income tax includes the impact of provisions established for uncertain income tax positions.

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

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

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:

— 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 subsidiary, associate 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.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

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p. 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.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

q. 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
- The Group has the right to direct the use of an asset.

At the date to commencement of lease, the Group recognises a Right-of-use assets (“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 lease, 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.

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for the year ended March 31, 2026

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

(ii) The Group as a Lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating lease.

r. Earnings per share

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

s. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

t. Exceptional items

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

u. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

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

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

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

3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

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(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

	Land	Buildings	Plant and equipment	Office equipments	Furniture and fixtures	Vehicles	Total	Capital work-in-progress
Gross carrying amount								
At 1 April 2024	**1,137**	**6,964**	**34,639**	**186**	**1,008**	**41**	**43,975**	**8,368**
Additions	315	133	2,661	7	53	-	3,169	7,479
Disposals/transfers	-	-	(620)	(3)	(2)	(11)	(636)	(3,233)
At 31 March 2025	**1,452**	**7,097**	**36,680**	**190**	**1,059**	**30**	**46,508**	**12,614**
Additions	30	651	5,382	29	162	21	6,275	4,302
Disposals/transfers	-	(5)	(630)	(1)	(6)	-	(642)	(6,512)
At 31 March 2026	**1,482**	**7,743**	**41,432**	**218**	**1,215**	**51**	**52,141**	**10,404**
Accumulated depreciation								
At 1 April 2024	**-**	**1,775**	**17,614**	**183**	**599**	**18**	**20,192**	**-**
Depreciation for the year	-	280	3,294	3	122	5	3,703	-
Disposals	-	-	(601)	(3)	(2)	(7)	(613)	-
At 31 March 2025	**-**	**2,055**	**20,307**	**183**	**719**	**16**	**23,282**	**-**
Depreciation for the year	-	302	3,485	11	133	6	3,937	-
Disposals	-	(2)	(524)	(1)	(5)	-	(532)	-
At 31 March 2026	**-**	**2,356**	**23,268**	**193**	**847**	**22**	**26,687**	**-**
Net carrying amount								
At 31 March 2025	**1,452**	**5,042**	**16,373**	**7**	**340**	**14**	**23,226**	**12,614**
At 31 March 2026	**1,482**	**5,387**	**18,163**	**25**	**369**	**29**	**25,454**	**10,404**

Notes:

(a) Land includes land held on lease under perpetual basis: Gross carrying amount - Rs. 661 (31 March 2025- Rs. 661).

(b) Buildings with a gross carrying amount of Rs. 4,527 as at 31 March 2026 (as at 31 March 2025 - Rs. 4,394) have been constructed on leasehold land obtained by the Group on lease basis from Biocon Limited, the holding Company.

(c) Plant and equipment includes computers.

(d) Refer note 13(i) for secured borrowings obtained for Property, plant and equipment.

(e) Refer note 31 (ii) for disclosure of contractual commitments for the acquisition of property, plant and equipment and capital work-in-progress.

(f) Additions to Land and Capital work-in-progress includes assets acquired from Emergent Manufacturing Operations Baltimore, LLC (a subsidiary of Emergent BioSolutions Inc.) (Refer note 43).

Notes to the 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) Capital work-in-progress aging schedule:

At 31 March 2026	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2,262	3,829	4,282	29	10,402
	2,262	**3,829**	**4,282**	**29**	**10,402**

At 31 March 2025	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	5,453	7,029	97	35	12,614
	5,453	**7,029**	**97**	**35**	**12,614**

(i) There are no capital work-in-progress whose completion has exceeded its cost compared to its original plan as on 31 March 2026 and as on 31 March 2025.

(ii) Capital work-in-progress whose completion is overdue to its original plan:

At 31 March 2026	Less than 1 year	1-2 years	2-3 years	More than 3 years	Expected Capitalisation date
Project (S20B Infra warm shell)	150	159	92	6	30 September 2026

At 31 March 2025	Less than 1 year	1-2 years	2-3 years	More than 3 years	Expected Capitalisation date
Project 3	13	3	40	33	31 January 2026

3 (b) Right-of-use assets

	Land	Buildings	Vehicles	Total
Gross carrying amount				
At 1 April 2024	**367**	**4,242**	**87**	**4,696**
Additions	-	764	-	764
Deletions	-	(497)	(23)	(520)
At 31 March 2025	**367**	**4,509**	**64**	**4,940**
Additions		-	79	79
Deletions	-	-	(37)	(37)
At 31 March 2026	**367**	**4,509**	**106**	**4,982**
Accumulated depreciation				
At 1 April 2024	**125**	**509**	**38**	**672**
Depreciation for the year	-	442	22	464
Deletions	-	(368)	(20)	(388)
At 31 March 2025	**125**	**583**	**41**	**748**
Depreciation for the year	-	406	13	419
Deletions	-	-	(30)	(30)
At 31 March 2026	**125**	**989**	**24**	**1,137**
Net carrying amount				
At 31 March 2025	**242**	**3,926**	**24**	**4,192**
At 31 March 2026	**242**	**3,520**	**81**	**3,845**

Notes to the 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 (c) Investment property

	Buildings [refer note (b)]	Furniture and fixtures	Office equipments	Plant and equipment	Total
Gross carrying amount					
At 1 April 2024	**146**	**58**	**4**	**567**	**775**
Additions	-	-	-		0
At 31 March 2025	**146**	**58**	**4**	**567**	**775**
Additions	7	17	0	14	38
At 31 March 2026	**153**	**75**	**4**	**581**	**813**
Accumulated depreciation					
At 1 April 2024	**21**	**23**	**3**	**317**	**364**
Depreciation for the year	6	8		53	68
At 31 March 2025	**27**	**23**	**3**	**370**	**431**
Depreciation for the year	6	17	1	42	66
At 31 March 2026	**33**	**40**	**4**	**412**	**498**
Net carrying amount					
At 31 March 2025	**119**	**35**	**1**	**197**	**343**
At 31 March 2026	**121**	**35**	**-**	**168**	**315**

Particulars	31 March 2026	31 March 2025
Rental Income (Refer Note 18 "Other Operating Revenue")	337	319
Other Income (Refer Note 18 "Other Operating Revenue")	54	90
Direct Operating Expenses (including repairs and maintenance) from property that generated rental income (Refer Note 25 "Other Expense")	(70)	(84)
Profit from investments before depreciation	**321**	**325**
Depreciation pertaining to property which generated rental income (Refer Note 24 "Depreciation")	(38)	(38)
Depreciation pertaining to property which did not generate rental income (Refer Note 24 "Depreciation")	(28)	(30)
Profit from Investment Properties	**255**	**257**

Note:

(a) Investment property with a gross carrying amount of Rs.146 (31 March 2025 : Rs. 146) have been constructed on leasehold land obtained by the Group on lease basis from Biocon Limited.

(b) Refer note 31 (ii) for disclosure of contractual commitments for the acquisition of investment property.

(c) The fair value of investment property is Rs 316 (March 31, 2025 Rs 343), based on market observable data and the same is categorised as a level 3 fair value. The Company has not engaged any registered valuer for determining the above fair value.

(d) The Company has no restriction on realisability of its investment property

Notes to the 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 (a) Other intangible assets

	Computer software	Intellectual property right	Total
Gross carrying amount			
At 1 April 2024	**670**	**120**	**790**
Additions	64	-	64
Disposals	(7)	-	(7)
At 31 March 2025	**727**	**120**	**847**
Additions	237	-	237
Disposals	(1)	-	(1)
At 31 March 2026	**963**	**120**	**1,083**
Accumulated amortisation			
At 1 April 2024	**388**	**120**	**508**
Amortisation for the year	89	-	89
Disposals	(6)	-	(6)
At 31 March 2025	**471**	**120**	**591**
Amortisation for the year	106	-	106
Disposals		-	-
At 31 March 2026	**577**	**120**	**697**
Net carrying amount			
At 31 March 2025	**256**	**-**	**256**
At 31 March 2026	**386**	**-**	**386**

(a) Refer note 31 (ii) for disclosure of contractual commitments for the acquisition of intangible assets.

4 (b) Intangible assets under development

	Total
Carrying amount	
At 1 April 2024	**13**
Additions	34
Disposals	
At 31 March 2025	**47**
Additions	45
Disposals	(39)
At 31 March 2026	**53**

Notes to the 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. Investments

		31 March 2026	31 March 2025
(a)	**Non-current investments**		
	Unquoted equity instruments carried at fair value through other comprehensive income:		
	2,020 (31 March 2025: 2,020) Equity shares of Rs. 10 each in Immuneel Therapeutics Private Limited [refer note(i) below]	247	247
	4,922,663 (31 March 2025: 4,922,663) Equity shares of Rs. 10 each in HR Kaveri Private Limited	49	49
	Unquoted - In Others		
	Investments carried at fair value through profit or loss		
	123,204 (31 March 2025: 123,204) Equity shares of Rs. 100 each in Four EF Renewables Private Limited	12	12
	246,406 (31 March 2025: 246,406) Compulsory convertible preference shares of Rs. 100 each in Four EF Renewables Private Limited [refer note(ii) below]	25	25
	858,000 (31 March 2025: 858,000) Equity shares of Rs. 10 each in O2 Renewable Energy II Prviate Limited	9	9
	31,30,590 Equity shares of Rs. 11 each in O2 Renewable Energy V Prviate Limited	35	-
	0.01% 20,020 (31 March 2025: 20,020) Compulsory convertible debentures of Rs. 1,000 each in O2 Renewable Energy II Prviate Limited [refer note(iii) below]	20	20
	1,333,333 (31 March 2025: 1,333,333) Equity shares of Rs. 10 each in Ampyr Renewable Energy Resources Prviate Limited	13	13
	2,666,667 (31 March 2025: 2,666,667) Compulsory convertible preference shares of Rs. 10 each in Ampyr Renewable Energy Resources Prviate Limited [refer note(iv) below]	27	27
	Less:Dimunition in the value of investments	(40)	(40)
	Unquoted - In Others		
	Inter corporate deposits with financial institutions *	2,453	-
		2,850	**362**
	Aggregate value of unquoted investments	2,850	362

* Less than Rs. 0.5 million.

Note:

(i) In the year ended 31 March 2021, the Group invested Rs. 100 in Immuneel Therapeutics Private Limited (Immuneel). On account of fair valuation being recorded in prior years, the Company has recorded gains of Rs. 129 during FY 2021 till FY 2024. During the year ended 31 March 2025, the Company, based on fair valuation recorded a fair value increase in its investment carrying value by Rs. 18.

(ii) Terms of conversion: 1 compulsory convertible preference share of face value Rs. 100/- each will convert to 1 equity share of face value Rs. 100/- at end of the tenure of 20 years from allotment.

(iii) Terms of conversion: 1 compulsory convertible debentures of face value Rs. 1000/- each will convert to 1 equity share of face value Rs. 100/- at end of the tenure of 20 years from allotment.

Notes to the 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) Terms of conversion: 1 compulsory convertible preference share of face value Rs. 10/- each will convert to 1 equity share of face value Rs. 10/- at end of the tenure of 20 years from allotment.

* Inter corporate deposits with financial institutions yield fixed interest rate.

		31 March 2026	31 March 2025
(b)	**Current investments**		
	Quoted - Investment in mutual funds at fair value through profit or Loss	2,961	3,355
	Unquoted - In others - at amortised cost		
	Inter corporate deposits with financial institutions*	1,600	2,750
		4,561	**6,105**
* Inter corporate deposits with financial institutions yield fixed interest rate.			
Aggregate book value of quoted investments		2,867	3,258
Aggregate market value of quoted investments		2,961	3,355
Aggregate value of unquoted investments		1,600	2,750

6. Other financial assets

		31 March 2026	31 March 2025
(a)	**Non-current**		
	Security deposits	346	436
	Bank deposits with maturity of more than 12 months	2,754	18
		3,100	**454**
(b)	**Current**		
	Other receivables (refer note 26)	82	105
	Gratuity plan assets	-	
	Interest accrued but not due	222	139
		304	**244**

7. Deferred tax assets (net)

	31 March 2026	31 March 2025
Deferred tax asset		
MAT credit entitlement	946	1,275
Employee benefit obligations	278	209
Derivatives, net	478	-
Others	19	28
	1,721	**1,512**
Deferred tax liability		
Derivatives, net	-	288
Others	-	-
Property, plant and equipment, investment property and other intangible assets, net	714	930
	714	**1,218**
Deferred tax assets (net)	**1,007**	**295**

Notes to the 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. Other assets

		31 March 2026	31 March 2025
(a)	**Non-current**		
	Capital advances	53	274
	Balances with statutory / government authorities	11	11
	Prepayments	57	64
		121	**349**

The Company has paid advance towards capital goods purchase from MSME suppliers, amounts pertaining to the current year Rs. 43 (31 March 2025 - Rs. 33).

		31 March 2026	31 March 2025
(b)	**Current**		
	Advances other than capital advances	178	242
	Less: Provision for doubtful advances to supplier	(37)	-
		141	
	Balances with statutory / government authorities	1,152	800
	Prepayments	370	258
		1,663	**1,300**

9. Inventories

	31 March 2026	31 March 2025
Chemicals, reagents and consumables	1,286	1,354
Work-in-progress	87	143
Finished goods	40	58
	1,413	**1,555**

Inventory obsolescence amounted to Rs 112 (31 March 2025: Rs 128) were recognised as an expense during the year and included in 'changes in inventories of finished goods and work-in-progress' in statement of profit and loss.

Notes to the 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)

10. Trade receivables

	31 March 2026	31 March 2025
Unsecured		
Considered good (refer note 26)	5,088	5,268
Considered doubtful	120	181
	5,208	**5,449**
Allowance for credit losses	(120)	(181)
	5,088	**5,267**

(a) Aging schedule

31 March 2026	Outstanding for following periods from due date of payment					
	Unbilled	Not due	Less than 6 months	6 months – 1 year	More than 1 year	Total
Undisputed trade receivables - considered good	1,235	3,419	416	19	-	5,088
Undisputed trade receivables - credit impaired	-	-	40	44	37	120
	1,235	**3,419**	**455**	**62**	**37**	**5,208**

31 March 2025	Outstanding for following periods from due date of payment					
	Unbilled	Not due	Less than 6 months	6 months – 1 year	More than 1 year	Total
Undisputed trade receivables - considered good	1,286	2,891	999	42	49	5,268
Undisputed trade receivables - credit impaired	-	-	101	30	50	181
	1,286	**2,891**	**1,100**	**72**	**100**	**5,449**

(b) All trade receivables are current and undisputed.

(c) The Group's exposure to credit and currency risks and loss allowances are disclosed in note 28.

11. Cash and bank balances

	31 March 2026	31 March 2025
(a) Cash and cash equivalents		
Cash on hand*	-	-
Balances with banks (on current accounts)	2,006	2,816
Deposits with original maturity of less than 3 months	280	854
	2,286	**3,671**
(b) Bank balances other than above		
Deposits with maturity of less than 12 months	6,044	4,199
Total cash and remaining bank balances	**8,330**	**7,869**

* Less than Rs. 0.5 million.

Notes to the 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)

(i) The Group has balances with banks (on unpaid dividend account) which are not disclosed above since amounts are rounded off to Rupees million.

(ii) Cash and cash equivalents includes restricted cash and bank balances of Rs. 1 (31 March 2025: Rs. 1). The restrictions are primarily on account of bank balances held under Employee Welfare Trust.

12(a). Equity share capital

	31 March 2026	31 March 2025
Authorised		
500,000,000 (31 March 2025: 500,000,000) equity shares of Rs 10/- each	5,000	5,000
Issued, subscribed and fully paid-up		
402,939,420 (31 March 2025: 402,536,981) equity shares of Rs 10 each (31 March 2025: Rs 10 each)	4,029	4,025
	4,029	**4,025**

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

Equity shares	31 March 2026		31 March 2025	
	No.	Rs	No.	Rs
At the beginning of the year	402,536,981	4,025	402,015,000	4,020
Issued :	-	-	-	-
Issue of shares during the year [refer note 40]	402,439	4	521,981	5
At the end of the year	**402,939,420**	**4,029**	**402,536,981**	**4,025**

(ii) Terms / rights attached to 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 dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

(iii) Details of shares held by holding company and their subsidiaries

	31 March 2026		31 March 2025	
	No.	% holding	No.	% holding
Equity shares of Rs. 10 each fully paid				
Biocon Limited (holding company) [includes issue of bonus shares refer note (vi) below]	211,185,608	52.46%	211,185,608	52.46%

Notes to the 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) Details of shareholders holding more than 5% shares in the Company

	31 March 2026		31 March 2025	
	No.	% holding	No.	% holding
Equity shares of Rs 10 each fully paid				
Biocon Limited (holding company) [includes issue of bonus shares refer note (vi) below]	211,185,608	52.46%	211,185,608	52.46%
Mutual Fund's				
ICICI PRUDENTIAL	21,666,577	5.38%	-	-
NIPPON LIFE INDIA TRUSTEE LTD	24,127,282	5.99%	-	-
ICICI PRUDENTIAL EQUITY SAVINGS FUND	-	-	20,639,918	5.13%

(v) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer note 34.

(vi) Shares held by promoters

Promoter Name	At 1 April 2025	Change during the year	At 31 March 2026	% of Total Shares	% change during the year
Kiran Mazumdar-Shaw	21,964	-	21,964	0.01%	0.00%
Ravi R Mazumdar	8,806	-	8,806	0.00%	0.00%
Dev Mazumdar	13,686	-	13,686	0.00%	0.00%
Biocon Limited	211,185,608		211,185,608	52.41%	0.00%
Biocon Employee Welfare Trust	1,053,633	-	1,053,633	0.26%	0.00%
	212,283,697	**-**	**212,283,697**	**52.68%**	**0.00%**

Promoter Name	At 1 April 2024	Change during the year	At 31 March 2025	% of Total Shares	% change during the year
Kiran Mazumdar-Shaw	21,964	-	21,964	0.01%	0.00%
Ravi R Mazumdar	8,806	-	8,806	0.00%	0.00%
Dev Mazumdar	13,686	-	13,686	0.00%	0.00%
Biocon Limited	219,185,608	(8,000,000)	211,185,608	52.46%	-1.99%
Biocon Employee Welfare Trust	1,053,633	-	1,053,633	0.26%	0.00%
	220,283,697	**(8,000,000)**	**212,283,697**	**52.74%**	**-1.99%**

The Company has only one class of equity shares having a par value of Rs. 10 per share.1

Notes to the 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)

2(b). Other equity

Securities premium

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

General Reserve

The amount represents surplus in carrying amounts related to leased assets transferred within the Group.

Capital Reserve

The amount represents surplus of fair value of tangible assets and other balances taken over compared to the purchase price in relation to the acquisition through slump sale of Unit 3 biologics manufacturing facility in Bangalore, India, from Stelis Biopharma Limited (SBL).

Retained earnings

The amount represents surplus in statement of profit and loss not transferred to any reserve and can be distributed by the Group as dividends to its equity shareholders. The amount also includes retained earnings of Syngene Employee Welfare Trust.

Treasury shares

The amount represents cost of own equity instruments that are acquired (treasury shares) by the ESOP trust and is disclosed as a deduction from other equity.

Re-measurement on defined benefit plans

The amount represents re-measurements of defined benefit plans owing to Actuarial (gain) / loss arising from: Demographic assumptions, Financial assumptions and Experience adjustment along with re-measurement on account of return on plan assets, excluding amounts included in interest expense / (income).

Special Economic Zone (SEZ) reinvestment reserve

The SEZ Re-Investment reserve has been created out of profit of eligible SEZ units in terms of the provisions of Section 10AA(1)(ii) of the Income-Tax Act, 1961. The reserve has been utilised for acquiring new plant and machinery for the purpose of its business in terms of section 10AA(2) of the Income-Tax Act, 1961.

Share based payment reserve

The Company has established share based payment plan for certain categories of employees of the Group. Also refer note 34 for further details on these plans.

Cash flow hedging reserves

The cash flow hedging reserve represents the cumulative effective portion of gains or losses (net of tax) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Any reclassification of amounts from other comprehensive income to profit and loss will reduce the cumulative effective portion.

Other Items of other comprehensive income

Other Items of other comprehensive income represents re-measurements of the equity instruments at fair value through OCI.

Notes to the 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. Borrowings

	31 March 2026	31 March 2025
(a) Non-current borrowings		
Term loans from banks		
Foreign currency term loan (secured) [refer note (i) below]	-	1,025
	-	**1,025**
Less: Current portion disclosed under "Current borrowings"		(1,025)
	-	**-**
(b) Current borrowings		
Packing Credit working capital loan [refer note (ii) below]	-	171
Current portion of foreign currency term loan (secured) [refer note (i) below]	-	1,025
Working capital term loan	94	-
	94	**1,196**
The above amount includes		
Secured borrowings	94	1,025
Unsecured borrowings	-	171
	94	**1,196**

Notes:

(i) The Company had entered into a foreign currency term loan agreement dated March 30, 2021, to borrow USD 20 million (Rs. 1,644) for a term loan facility. The facility is borrowed to incur capital expenditure at the Bengaluru, Hyderabad and Mangaluru premises of the Company and was used for this specific purpose. The facility carries an interest rate of 6M SOFR + 1.17% and is to be paid in three instalments of 15%, 25% and 60% from the end of 3 years, 4 years and 5 years respectively from the origination date. The facility is secured by first priority pari passu charge on fixed assets (movable plant and machinery) and second charge on current assets of the Company. The Company is compliant with the financial covenants stipulated under the agreement.

(ii) The Company availed pre-shipment export credit of Rs. 171 at SOFR+0.95% during the year ended 31 March 2025. The credit facility was availed on 12 March 2025 for a tenor of 3 months.

(iii) The Company availed a short term loan of USD. 1 Mn at SOFR+1.40% during the year ended 31 March 2026. The credit facility was availed on 23 March 2026.

Notes to the Consolidated Financial Statements

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

14. Provisions

		31 March 2026	31 March 2025
(a)	**Non-current**		
	Provision for employee benefits		
	Gratuity	180	433
		180	**433**
(b)	**Current**		
	Provision for employee benefits		
	Gratuity	431	211
	Compensated absences	713	502
		1,144	**713**

15. Other liabilities

		31 March 2026	31 March 2025
(a)	**Non-current**		
	Deferred revenues	1,979	2,188
		1,979	**2,188**
(b)	**Current**		
	Advances from customers	6,636	6,052
	Deferred revenues	534	544
	Others		
	- Statutory dues	227	226
	- Other dues	386	374
		7,783	**7,196**

16. Trade payables

	31 March 2026	31 March 2025
Trade payables		
Total outstanding dues of micro and small enterprises	588	341
Total outstanding dues of creditors other than micro and small enterprises	2,887	3,179
	3,475	**3,520**

Notes to the 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)

(a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development Act, 2006 ("MSMED Act")

		31 March 2026	31 March 2025
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
	- Principal amount due to micro and small enterprise	588	341
	- Interest due on above	1	-
(ii)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	76	234
(iii)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(iv)	Interest accrued and remaining unpaid at the end of the year	1	-
(v)	Interest remaining due and payable in succeeding years, in terms of Section 23 of the MSMED Act, 2006	13	12

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

* Less than Rs. 0.5 million.

(b) Aging schedule:

31 March 2026	Outstanding for following periods from due date of payment				
	Unbilled	Not due	Less than 1 year	More than 1 year	Total
Total outstanding dues of micro and small enterprises	184	392	11	1	588
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,814	781	287	5	2,887
	1,998	**1,173**	**298**	**6**	**3,475**

31 March 2025	Outstanding for following periods from due date of payment				
	Unbilled	Not due	Less than 1 year	More than 1 year	Total
Total outstanding dues of micro and small enterprises	-	326	15	-	341
Total outstanding dues of creditors other than micro and small enterprises	1,869	890	310	110	3,179
	1,869	**1,216**	**325**	**110**	**3,520**

(c) All trade payables are current and undisputed. The Group's exposure to currency and liquidity risks related to trade payables is disclosed in note 28.

Notes to the 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)

17. Other financial liabilities

	31 March 2026	31 March 2025
(a) Non-current		
Employee rewards	1	-
	1	**-**
(b) Current		
Payable for capital goods	779	644
Employee benefit expenses payable	263	3
Payable towards purchase consideration	57	57
	1,100	**704**

The Company has outstanding payables towards capital goods purchased from MSME suppliers, amounts pertaining to the current year Rs. 207 (31 March 2025 - Rs. 62).

18. Revenue from operations

	31 March 2026	31 March 2025
Sale of services		
Contract research and manufacturing services income	36,107	35,128
Other operating revenues		
Scrap sales	39	33
Gains on lease retirement	-	35
Others	1,241	1,228
	37,387	**36,424**

Note:

(a) Others include income from support services, rentals by the Biocon Biologics SEZ Developer and recognition of deferred revenue for assets funded by customers over the useful life.

18.1 Disaggregated revenue information

Set out below is the disaggregation of revenue:

	Year ended 31 March 2026	Year ended 31 March 2025
Revenues from Contract research and manufacturing services income by geography		
India	518	622
United States of America	22,666	21,754
Europe	11,462	11,260
Rest of the world	1,460	1,492
	36,107	**35,128**

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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 31 March 2026	Year ended 31 March 2025
Revenue from other sources		
India	463	777
United States of America	818	519
Total revenue from operations	**1,280**	**1,296**

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

	Year ended 31 March 2026	Year ended 31 March 2025
Revenues from Contract research and manufacturing services income by		
Timing of recognition		
Revenue recognised at a point of time	32,727	30,137
Revenue recognised over a period of time	4,660	6,288
Total revenue from operations	**37,387**	**36,424**

18.2 Contract balances

	Year ended 31 March 2026	Year ended 31 March 2025
Trade receivables [refer note (i) below]	5,088	5,267
Contract liabilities [refer note (ii) below]	9,149	8,784

Notes:

(i) Trade receivables are non-interest bearing.

(ii) Contract liabilities include advances from customers and deferred revenue.

18.3 Changes in Contract liabilities - advances from customers and deferred revenues

	Year ended 31 March 2026	Year ended 31 March 2025
Balance at the beginning of the year	8,785	7,976
Add: Increase due to invoicing during the year	5,878	5,542
Less: Revenue recognised from advances from customers and deferred revenue at the beginning of the year	(4,549)	(3,829)
Less: Amounts recognised as revenue during the year	(965)	(904)
Balance at the end of the year	**9,149**	**8,785**
Expected revenue recognition from remaining performance obligations:		
- Within one year	7,170	6,597
- More than one year	1,979	2,188
	9,149	**8,785**

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

18.4 Reconciliation of revenue recognised with contract price:

	Year ended 31 March 2026	Year ended 31 March 2025
Revenue as per contracted price	37,547	36,568
Adjustments for:		
Refund Liabilities	-	-
Discount/Rebates	(160)	(144)
Total Revenue from contract with customers	**37,387**	**36,424**

18.5 Performance obligation:

In relation to information about the Group's performance obligations in contracts with customers refer note 2(l).

19. Other income

	Year ended 31 March 2026	Year ended 31 March 2025
Interest income on:		
Deposits with banks and financial institutions	591	476
Lease deposits	11	36
Tax refunds (Refer Note 30 (c))	11	47
Net gain on sale of current investments	94	159
	707	**718**

20. Cost of chemicals, reagents and consumables consumed (Refer Note 9)

	Year ended 31 March 2026	Year ended 31 March 2025
Inventory at the beginning of the year	1,354	2,014
Add : Purchases	9,044	8,594
Less: Inventory at the end of the year	**(1,286)**	**(1,354)**
	9,112	**9,254**

21. Changes in inventories of finished goods and work-in-progress

	Year ended 31 March 2026	Year ended 31 March 2025
Inventories at the beginning of the year		
Work-in-progress	142	239
Finished goods	58	132
	201	**372**
Inventories at the end of the year		
Work-in-progress	87	142
Finished goods	40	58
	127	**201**
	74	**171**

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for the year ended March 31, 2026

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22. Employee benefits expense

	Year ended 31 March 2026	Year ended 31 March 2025
Salaries, wages and bonus	9,658	8,551
Contribution to provident fund and other funds	441	396
Gratuity expenses (Refer note 27)	123	123
Share based compensation expense (Refer note 34)	413	373
Staff welfare expenses	414	396
	11,049	**9,839**

23. Finance costs

	Year ended 31 March 2026	Year ended 31 March 2025
Interest expense on:		
Borrowings	66	99
Lease liability (Refer Note 35)	382	393
Exchange difference to the extent considered as an adjustment to borrowing cost	40	39
	488	**531**

24. Depreciation and amortisation expense

	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation of tangible assets [refer note 3 (a)]	3,937	3,704
Depreciation of investment property [refer note 3 (c)]	66	68
Amortisation of Right to Use assets [refer note 3 (b)]	419	465
Amortisation of intangible assets [refer note 4 (a)]	106	89
	4,528	**4,326**

25. Other expenses

	Year ended 31 March 2026	Year ended 31 March 2025
Rent	58	61
Communication expenses	34	56
Travelling and conveyance	587	553
Professional charges	1,430	1,330
Payments to auditors	11	12
Directors' fees including commission	56	62
Power and fuel	732	690
Facility charges	193	205
Insurance	350	298

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

	Year ended 31 March 2026	Year ended 31 March 2025
Rates and taxes	114	88
Repairs and maintenance		
Plant and machinery	1,940	1,774
Buildings	176	147
Others	661	668
Selling expenses		
Freight outwards and clearing charges	(2)	34
Sales promotion expenses	226	193
Provision for doubtful receivables	(61)	49
Provision for doubtful advances to supplier	37	-
Loss on write off of receivables arising from cumulative foreign exchange movements [refer note 44]	277	-
Bad Debts written off	2	30
Printing and stationery	34	41
Clinical trial expenses	104	74
Contributions towards CSR	126	115
Loss on assets scrapped	28	29
Contribution to Indian foundation for quality management	25	25
Miscellaneous expenses	220	190
	7,358	**6,723**
(a) Payments to auditors:		
As an auditor:		
Statutory audit	6	7
Tax audit	1	1
Limited review	3	3
In other capacity:		
Other services (certification fees)	-	-
Reimbursement of expenses	1	1
	11	**12**

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26. Related party transactions

Related parties where control exists and other related parties with whom transactions have taken place during the year are listed below :

List of Related parties

Particulars	Nature of relationship
A. Key management personnel	
Kiran Mazumdar-Shaw	Chairperson
Jonathan hunt	MD & Chief Executive Officer (till 10 February 2025)
Peter Bains	MD & Chief Executive Officer (w.e.f 01 April 2025)
Peter Bains	Group Chief Executive Officer - of Biocon Group (till 31 March 2025)
Catherine Rosenberg	Non-executive director
Sharmila Abhay Karve	Independent director
Paul Blackburn	Independent director (till 23 July 2024)
Vijay Kuchroo	Independent director (till 21 July 2025)
Vinita Bali	Non-executive director
Kush Parmar	Independent director
Nilanjan roy	Independent director (w.e.f. 01 April 2024)
Manja Boerman	Independent director (w.e.f. 04 June 2024)
Sibaji Biswas	Executive Director & CFO (from 01 April 2024 to 30 November 2024)
Deepak Jain	Chief Financial officer (w.e.f. 01 December 2024)
Sanjaya Singh	Independent director (w.e.f. 01 July 2025)
Priyadarshini Mahapatra	Company Secretary (till. 9 June 2025)
Chethan Yogesh	Company Secretary and compliance officer (w.e.f. 23 July 2025)
Suresh Narayanan	Independent director (w.e.f. 01 August 2025)
B. Holding company	
Biocon Limited	Holding Company
C. Subsidiaries	
Biocon Biologics Limited	Fellow subsidiary
Biocon SDN. BHD	Fellow subsidiary
Biocon Biologics UK Limited	Fellow subsidiary
Biocon Biologics Inc.,	Fellow subsidiary
Biocon Biologics Do Brasil Ltda	Fellow subsidiary
Biocon Biologics FZ-LLC	Fellow subsidiary
"Biocon Biologics Healthcare Malaysia SDN. BHD (formerly known as Biocon Healthcare SDN. BHD)"	Fellow subsidiary
Biofusion Therapeutics Limited	Fellow subsidiary (till 01.April 2022)
Biocon Biosphere Limited	Fellow subsidiary

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

Particulars	Nature of relationship
Biocon Pharma Limited	Fellow subsidiary
Biocon Pharma Inc.	Fellow subsidiary
Biocon Pharma Ireland Limited	Fellow subsidiary
Biocon Pharma Malta Limited	Fellow subsidiary
Biocon Pharma Malta I Limited	Fellow subsidiary
Biocon Pharma UK Limited	Fellow subsidiary
Biocon SA	Fellow subsidiary
Biocon FZ LLC	Fellow subsidiary
Biocon Academy	Fellow subsidiary
Biosimilar Collaborations Ireland Limited	Fellow subsidiary (w.e.f 29 November 2022)
Biosimilar Newco Limited,UK	Fellow subsidiary (w.e.f 29 November 2022)
Biocon Biologics Canada Inc.	Fellow subsidiary (w.e.f 20 March 2023)
Biocon Biologics Germany GmBH	Fellow subsidiary (w.e.f 29 March 2023)
Bicon Biologics France S.A.S	Fellow subsidiary (w.e.f 14 April 2023)
Biocon Biologics Spain, S.L	Fellow subsidiary (w.e.f 21 April 2023)
Biocon Biologics Switzerland AG	Fellow subsidiary (w.e.f 25 April 2023)
Biocon Biologics Belgium BV	Fellow subsidiary (w.e.f 28 April 2023)
Biocon Biologics Finland OY	Fellow subsidiary (w.e.f 10 May 2023)
Biocon Generics Inc.	Fellow subsidiary (w.e.f 07 July 2023)
Biocon Biologics Morocco S.A.R.L.A.U	Fellow subsidiary (w.e.f 24 July 2023)
Biocon Biologics Greece SINGLE MEMBER P.C	Fellow subsidiary (w.e.f 27 July 2023)
Biocon Biologics South Africa (PTY) Ltd	Fellow subsidiary (w.e.f 11 August 2023)
Biocon Biologics (Thailand) Co. Ltd	Fellow subsidiary (w.e.f 08 September 2023)
Biocon Biologics Italy S.R.L	Fellow subsidiary (w.e.f 27 December 2023)
Biocon Biologics Philippines Inc.	Fellow subsidiary (w.e.f 25 October 2023)
Biocon Biologics Croatia LLC	Fellow subsidiary (w.e.f 18 January 2024)
Biocon Biologics Global PLC	Fellow subsidiary (w.e.f 19 July 2024)

D. Other related parties

Biocon Foundation	Trust in which a director is a trustee
Narayana Hrudayalaya Limited	Enterprise in which a director of the Company is a member of board of directors
Jeeves	Enterprise in which relative to a director of the Company is proprietor
Immuneel Therapeutics Private Limited	Enterprise in which a director of the Company is a member of board of directors
NeoBiocon FZ LLC	Joint venture of Holding Company
Cage Therapeutics	Enterprise in which a director of the Company is a member of board of directors

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

Particulars	Nature of relationship
Thomas Cook (India) Limited	Enterprise in which a director of the Company is a member of board of directors
SOTC Travel Limited	Enterprise in which a director of the Company is a member of board of directors
Bicara Therapeutics Inc.	Enterprise in which a director of the Company is a member of board of directors
Puretech Health, USA	Enterprise in which a director of the Company is a member of board of directors
Abergy Therapeutics, Inc	Enterprise in which a director of the Company is a member of board of directors (w.e.f 04 Nov 2025)
Third Arc Bio	Enterprise in which a director of the Company is a member of board of directors (w.e.f 01 July 2025)
Therapoma Inc	Enterprise in which a director of the Company is a member of board of directors (w.e.f 01 July 2025)

The Company has the following related parties transactions and balances

Particulars	Transactions / Balances	31 March 2026	31 March 2025
Key management personnel	Salary and perquisites [refer note (i) & (ii) below]	285	384
	Sitting fees and commission	44	62
	Professional fees	-	9
	Outstanding as at the year end		
	- Trade and other payables	5	14
	-Provision for gratuity and compensated absences	15	31
Holding company	Rent	99	88
	Power and facility charges [refer note (iii) below]	163	183
	Other expenses reimbursed to the group	266	281
	Sale of services	9	17
	Other expenses incurred on behalf of Holding company recovered	1	3
	Outstanding as at the year end		
	- Rent deposits	21	21
	- Trade and other payables	53	140
	- Trade and other receivables	1	21

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

Particulars	Transactions / Balances	31 March 2026	31 March 2025
Fellow subsidiaries	Sale of services	94	126
	Rent and facility charges recovered	401	415
	Other expenses incurred on behalf of fellow subsidiaries recovered	7	-
	Purchase of goods and services	65	154
	Outstanding as at the year end		
	- Trade and other payables	6	38
	- Trade and other receivables	48	148
	- Advances paid to Vendor	4	
Other related Parties	Sale of services	2,091	820
	Health services availed	7	4
	Contribution towards CSR	86	96
	Staff welfare expenses	5	4
	Revaluation of investment	-	18
	Travel service	112	52
	Outstanding as at the year end		
	- Deposit	25	6
	- Trade and other payables	20	138
	- Trade and other receivables	314	5
	- Advances paid to Vendor	4	-
	- Deposit	2	-

(i) The remuneration to the key managerial personnel does not include the provisions made for gratuity and compensated absences. However, the Company has undertaken actuarial valuations for the provisions made for gratuity and compensated absences attributable to the key managerial personnel as at 31 March 2026 amounting to Rs. 15 (31 March 2025: 31).

(ii) Share based compensation expense allocable to key management personnel is Rs. 143 (31 March 2025 : Rs. 91), which is included in the remuneration disclosed above.

(iii) Effective from 1 October 2006, the Company has entered into an arrangement for lease of land on lease basis and a service agreement with 'Biocon SEZ Developer' of Biocon Limited for availing certain facilities and services. The facility charges of Rs. 142 (31 March 2025 : Rs. 113) and power charges (including other charges) of Rs. 21 (31 March 2025 : Rs. 70) have been charged by Biocon Limited for the year ended 31 March 2026.

(iv) Fellow subsidiary companies with whom the Group did not have any transactions -

- Biocon SDN. BHD, Malaysia
- Biocon FZ LLC
- Biocon Biologics Inc.,
- Biocon Biologics Do Brasil Ltda
- Biocon Biologics Canada Inc.
- Biocon Biologics Germany GmBH
- Bicon Biologics France S.A.S
- Biocon Biologics Spain, S.L

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

- Biocon Biologics FZ-LLC
- "Biocon Biologics Healthcare Malaysia SDN. BHD "
- Biofusion Therapeutics Limited
- Biocon Biosphere Limited
- Biocon Biologics Global PLC
- Biocon Pharma Inc.
- Biocon Pharma Ireland Limited
- Biocon Pharma Malta Limited
- Biocon Pharma Malta I Limited
- Biocon Pharma UK Limited
- Biocon SA
- Biosimilar Collaborations Ireland Limited
- Biocon Biologics Switzerland AG
- Biocon Biologics Belgium BV
- Biocon Biologics Finland OY
- Biocon Generics Inc.
- Biocon Biologics Morocco S.A.R.L.A.U
- Biocon Biologics Greece SINGLE MEMBER P.C
- Biocon Biologics South Africa (PTY) Ltd
- Biocon Biologics (Thailand) Co. Ltd
- Biocon Biologics Italy S.R.L
- Biocon Biologics Philippines Inc.
- Biocon Biologics Croatia LLC

(v) The above disclosures include related parties as per Ind AS 24 on "Related Party Disclosures" and Companies Act, 2013.

(vi) All outstanding balances are unsecured and repayable in cash.

27. Employee benefit plans

(i) The Group has a defined benefit gratuity plan governed by the Indian Law. Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity payable on termination of his employment at the rate of fifteen dayswages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

In accordance with Indian law, Syngene International Limited and its subsidiaries in India operate a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment in accordance with the provisions under the Code on Social Security, 2020 or as per the Company Scheme, as applicable. Vesting occurs upon completion of contractual period of continuous years of service as defined in the Code on Social Security, 2020. The Company manages the plan through a trust. Trustees administer contributions made to the trust. Up to FY25 plan assets are maintained with HDFC Life Insurance Company Limited (HDFC Life) in respect of gratuity scheme for employees of the Company. The Company actively monitors how the duration and expected yield of the investments are matching the expected outflows arising from the employee benefit obligations.

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. Actuarial valuations involve making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to these complexity involved in the valuation it is highly sensitive to the changes in these assumptions. All assumptions are reviewed at reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

The Company expects to pay INR 611 (31 March 2025: INR 610) in contributions to its defined benefit plans in 2026-27.

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

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

Amounts recognised in respect of these defined benefit plans are as follows

Particulars	31 March 2026	31 March 2025
Service cost:		
Interest Cost	10	43
Current Service Cost	113	80
Past Service Cost [refer note 35]	462	-
Components of defined benefit costs recognised in statement of profit and loss	**586**	**123**
Return on Plan Assets, Excluding Interest Income	34	0
Actuarial (gains) /losses arising from changes in Demographic Assumptions	-	(20)
Actuarial (gains) /losses arising from changes in Financial Assumptions	(9)	(16)
Actuarial (gains) /losses arising from changes in Experience	38	26
Components of defined benefit costs recognised in other comprehensive income	**63**	**(11)**
Total	**649**	**112**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' and past service cost is presented under "Exceptional Item" is line item on account of change in new labour code in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	31 March 2026	31 March 2025
Present Value of Benefit Obligation at the end of the Period	1,221	648
Fair Value of Plan Assets at the end of the Period	(611)	(4)
Net liability arising from defined benefit obligation	**611**	**644**

Movements in the present value of the defined benefit obligation are as follows:

Particulars	31 March 2026	31 March 2025
Opening defined benefit obligation	648	606
	-	-
Expenses recognised in statement of profit and loss :	-	-
Interest Cost	52	43
Current Service Cost	113	80
Past Service Cost	462	-
Remeasurement (gains)/losses:	-	-
Benefit Paid	(82)	(70)
Actuarial (gains) /losses arising from changes in Demographic Assumptions	-	(20)
Actuarial (gains) /losses arising from changes in Financial Assumptions	(9)	(16)

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

Particulars	31 March 2026	31 March 2025
Actuarial (gains) /losses arising from changes in Experience	38	26
Closing defined benefit obligation	**1,221**	**648**

Movements in the fair value of the plan assets are as follows:

Particulars	31 March 2026	31 March 2025
Opening fair value of plan assets	4	4
	-	-
Interest Income	42	0
Contributions by the Employer	678	-
Return on plan assets (excluding amounts included in net interest expense	(34)	(0)
Benefits paid	(82)	-
Closing fair value of plan assets	**611**	**4**

Details of Plan Assets:

Particulars	31 March 2026	31 March 2025
The weighted-average asset allocations at the year end were as follows:		
Equities	-	-
Bonds	-	-
Mutual Fund	100%	100%
Others	-	
Total	**100%**	**100%**

Actual Return on Plan Assets

Particulars	31 March 2026	31 March 2025
Non current	-	433
Current	431	211
	431	**644**

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

	31 March 2026	31 March 2025
Interest rate	6.59%	6.54%
Discount rate	6.59%	6.54%
Expected return on plan assets	6.59%	6.54%
Salary increase	6.50%	6.50%
Attrition rate (based on Age of the Employee)	24%	24%
Retirement age - Years	58	58

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

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

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

(iii) Sensitivity analysis

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis does not recognise the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions are as below:

	31 March 2026		31 March 2025	
Particulars	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount rate	(33)	35	(18)	19
Salary increase	35	(33)	19	(18)
Attrition rate	(4)	4	(2)	2

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

Particulars	31 March 2026	31 March 2025
1st Following year	290	142
2nd Following year	228	114
3rd Following year	194	110
4th Following year	161	82
5th Following year	135	66
Years 6 to 10	354	179
Years 11 and above	132	68

(iv) Risk Exposure

These defined benefit plans typically expose the Company to actuarial risks as under :

a) Interest rate risk: A decrease in bond interest rate will increase the plan liability.

b) Longevity risk: The present value of the defined plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy will increase the plan's liability.

c) Salary risk: Higher than expected increase in salary will increase the defined benefit obligation.

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(v) Other long term benefits

Present value of other long term benefits (i.e. compensated absences) obligations at the end of the year :

Particulars	31 March 2026	31 March 2025
Compensated absences	713	502

28. Financial instruments: Fair value and risk managements

A. Accounting classification and fair values

31 March 2026	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments (non-current)	101	296	2,453	2,850	-	-	397	397
Derivative assets (non-current)	-	317		317	-	317	-	317
Other financial assets (non-current)	-	-	3,100	3,100	-	-	-	-
Investments (current)	2,961	-	1,600	4,561	2,961	-	-	2,961
Trade receivables	-	-	5,088	5,088	-	-	-	-
Cash and cash equivalents	-	-	2,286	2,286	-	-	-	-
Bank balances other than above	-	-	6,044	6,044	-	-	-	-
Derivative assets (current)	-	69	-	69	-	69	-	69
Other financial assets (current)	-	-	304	304	-	-	-	-
	3,063	**682**	**20,874**	**24,619**	**2,961**	**386**	**397**	**3,744**
Financial liabilities								
Lease liabilities (non-current)	-	-	3,985	3,985	-	-	-	-
Derivative liabilities (non-current)	-	488	-	488	-	488	-	488
Borrowings (current)	-	-	94	94	-	-	-	-
Lease liabilities (current)	-	-	505	505	-	-	-	-
Trade payables	-	-	3,475	3,475	-	-	-	-
Derivative liabilities (current)	-	1,145		1,145	-	1,145	-	1,145
Other financial liabilities (current)	-	-	1,100	1,100	-	-	-	-
	-	**1,633**	**9,158**	**10,791**	**-**	**1,633**	**-**	**1,633**

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

31 March 2025	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments (non-current)	66	296	-	362	-	-	362	362
Derivative assets (non-current)	-	1,706	-	1,706	-	1,706	-	1,706
Other financial assets (non-current)	-	-	454	454	-	-	-	-
Investments (current)	3,355	-	2,750	6,105	3,355	-	-	3,355
Trade receivables	-	-	5,267	5,267	-	-	-	-
Cash and cash equivalents	-	-	3,671	3,671	-	-	-	-
Bank balances other than above	-	-	4,199	4,199	-	-	-	-
Derivative assets (current)	-	532		532	-	532	-	532
Other financial assets (current)	-	-	244	244	-	-	-	-
	3,421	**2,534**	**16,585**	**22,541**	**3,355**	**2,238**	**362**	**5,955**
Financial liabilities								
Lease liabilities (non-current)	-	-	4,088	4,088	-	-	-	-
Derivative liabilities (non-current)	-	18	-	18	-	18	-	18
Borrowings (current)	-	-	1,196	1,196	-	-	-	-
Lease liabilities (current)	-	-	495	495	-	-	-	-
Trade payables	-	-	3,520	3,520	-	-	-	-
Derivative liabilities (current)	-	56		56	-	56	-	56
Other financial liabilities (current)	-	-	704	704	-	-	-	-
	-	**74**	**10,003**	**10,077**	**-**	**74**	**-**	**74**

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices included within 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 investments comprises of unquoted equity instruments. The fair value of Level 3 investments are based on the market comparable approach of similar companies using discounted revenue multiples. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

(a) The carrying amount of financial assets and financial liabilities measured at amortised cost in the Consolidated Financial Statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

(b) There have been no transfers between level 1, 2 and 3.

(c) The Company enters into derivative financial instruments with various counterparties. Derivatives are valued using valuation techniques in consultation with market expert. The most frequently applied valuation technique include forward pricing, swap models and Black Scholes Merton Model (for options valuation), using present value calculations. The models incorporate various inputs including foreign exchange forward rates, interest rate curve and forward rates curve.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 values.

Particulars	FVTPL	FVTOCI	Total
Balance as at 01 April 2025	66	296	362
Gain included in OCI			
- Net change in fair value(unrealised)	-	-	-
Investment made in the current year			
- In equity instruments	35	-	35
- In preference shares			-
- In debt instruments	-	-	-
Loss included in P&L			
- Dimunition in the value of investments	-	-	-
Balance as at 31 March 2026	**101**	**296**	**397**

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 values.

Particulars	FVTPL	FVTOCI	Total
Balance as at 01 April 2024	66	278	344
Gain included in OCI			
- Net change in fair value(unrealised)	-	18	18
Investment made in the current year			
- In equity instruments	-	-	-
- In preference shares	-	-	-
- In debt instruments	-	-	-
Loss included in P&L			
- Dimunition in the value of investments	-	-	-
Balance as at 31 March 2025	**66**	**296**	**362**

Measurement of fair values

Fair value of liquid mutual funds are based on quoted price. Derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

Sensitivity analysis

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

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for the year ended March 31, 2026

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

Significant observable inputs	Impact on profit or loss		Impact on other equity	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
INR/USD - Increase by 1%	-	-	(425)	(588)
INR/USD - Decrease by 1%	-	-	425	599
Movement in Interest rates				
LIBOR - Increase by 100 bps	-	-	-	-
LIBOR - Decrease by 100 bps	-	-	-	-
Level III Equity instruments				
Adjusted market multiple (5% Increase)	-	-	(83)	(83)
Adjusted market multiple (5% Decrease)	-	-	83	83

B. Financial risk management

The Group's activities expose it to a variety of financial risks : credit risk, market risk and liquidity risk.

(i) Risk management framework

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

(ii) Credit risk

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

The Group has established a credit mechanism under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, where available, and other publicly available financial information. Outstanding customer receivables are regularly monitored.

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. The maximum exposure to credit risk as at reporting date is primarily from trade receivables and unbilled revenue amounting to Rs. 5267 (31 March 2024: Rs 4,416). The movement in allowance for impairment in respect of trade receivables during the year was as follows:

Allowance for Impairment	31 March 2026	31 March 2025
Opening balance	181	132
Impairment loss recognised(reversed)	(61)	49
Closing balance	**121**	**181**

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for the year ended March 31, 2026

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Details of trade receivables that are not due, past due and impaired is given below:

Particulars	31 March 2026	31 March 2025
Neither past due nor impaired	4,654	4,177
Past due but not impaired		
Less than 180 days	416	999
180 days - 365 days	19	42
More than 365 days	-	49
Past due but impaired:		
Less than 180 days	40	101
180 days - 365 days	44	30
More than 365 days	37	50
Less: Allowance for credit losses	(120)	(181)
Total	**5,088**	**5,267**

There is no receivable from single customer which which is more than 10 percent of the Group's total receivables during the current and previous financial year.

Credit risk on investments, cash and cash equivalent and derivatives is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. All these banks and financial institutions are high-rate funds of minimum AA+ and above. Investments primarily include investment in liquid mutual fund units and inter-corporate deposits with financial institutions.

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. In addition, the Group maintains line of credits as stated in note 13.

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

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Lease liabilities (non-current)	-	578	1,857	4,131	6,566
Lease liabilities (current)	552	-	-	-	552
Borrowings (current)	94	-	-	-	94
Trade payables	3,475	-	-	-	3,475
Derivative liabilities (non-current)	-	488	-	-	488
Derivative liabilities (current)	1,145	-	-	-	1,145
Other financial liabilities	1,100	-	-	-	1,100
Total	**6,366**	**1,066**	**1,857**	**4,131**	**13,420**

*Amount less than 0.5 Million

Notes to the 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)

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

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Lease liabilities (non-current)	-	541	1,731	4,736	7,009
Lease liabilities (current)	526	-	-	-	526
Borrowings (current)	1,196	-	-	-	1,196
Trade payables	3,520	-	-	-	3,520
Derivative liabilities (non-current)	-	18	-	-	18
Derivative liabilities (current)	56	-	-	-	56
Other financial liabilities	704	-	-	-	704
Total	**6,002**	**559**	**1,731**	**4,736**	**13,029**

(iv) Market risk

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

Foreign currency risk

The Group operates internationally and a major portion of the business is transacted in several currencies and consequently, the Group is exposed to foreign exchange risk through operating and borrowing activities in foreign currency. The Group holds derivative instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates and foreign currency exposure.

The currency profile of financial assets and financial liabilities as at 31 March 2026 and 31 March 2025 are as below:

31 March 2026	USD	EUR	Others
Financial assets			
Trade receivables	3,237	145	17
Cash and cash equivalents	2,086	337	1
Derivative assets	386	-	-
Other financial assets (current)	-	-	-
Financial liabilities			
Borrowings (current)	(94)	-	-
Trade payables	(629)	(42)	(12)
Derivative liabilities	(1,633)	-	-
Other financial liabilities (current)	**(170)**	**(68)**	**(21)**
Net assets / (liabilities)	**3,183**	**371**	**(16)**

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

31 March 2025	USD	EUR	Others
Financial assets			
Trade receivables	3,233	46	16
Cash and cash equivalents	2,086	337	1
Derivative assets	2,237		
Financial liabilities			
Borrowings (current)	(1,196)	-	-
Trade payables	(448)	(88)	(71)
Derivative liabilities	(73)	-	-
Other financial liabilities (current)	(93)	(7)	(4)
Net assets / (liabilities)	**5,746**	**288**	**(58)**

Exposure to currency risk (continued)

INR	Average rate		Year-end spot rate	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
USD 1	88.71	84.63	93.48	85.43
EUR 1	103.09	90.68	108.10	92.40

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 equity	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
USD Sensitivity				
INR/USD - Increase by 1%	33	58	(392)	(529)
INR/USD - Decrease by 1%	(31)	(56)	394	542
EUR Sensitivity				
INR/EUR - Increase by 1%	4	3	2	2
INR/EUR - Decrease by 1%	(3)	(2)	(1)	(1)

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Derivative financial instruments

The Group uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business or financing activities. The Group's Treasury team manages its foreign currency risk by hedging forecasted transactions like sales, purchases and capital expenditures. When a derivative is entered for hedging, the Group matches the terms of those derivatives to the underlying exposure. All identified exposures are managed as per the policy duly approved by the Board of Directors.

The following table gives details in respect of outstanding foreign exchange forward and option contracts as of 31 March 2026:

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Foreign exchange forward contracts to sell USD	204	110	90	-	404
European style option contracts	85	47	38	-	170

The following table gives details in respect of outstanding foreign exchange forward and option contracts as of 31 March 2025:

Particulars	Less than 1 year	1 - 2 years	2-5 years	More than 5 years	Total
Foreign exchange forward contracts to sell USD	250	143	134	-	527
European style option contracts	105	60	57	-	222

Cash flow and fair value interest rate risk

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

(a) Interest rate risk exposure

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

Particulars	31 March 2026	31 March 2025
Variable rate borrowings	94	1,196
Total borrowings	**94**	**1,417**

(b) Sensitivity

Variable rate borrowings:

A reasonably possible increased / (decreased) of 100 bps would impact profit and loss and equity by Rs. 10 (31 March 2025 : Rs. 12).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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29. Capital management

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

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

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

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

Particulars	31 March 2026	31 March 2025
Total equity attributable to the equity shareholders of the Company	48,391	47,268
As a percentage of total capital	100%	97%
Borrowings	94	1,196
Total borrowings	**94**	**1,196**
As a percentage of total capital	0%	2%
Total capital (Equity and Borrowings)	**48,485**	**48,464**

30. Tax expense

(a) Amount recognised in Statement of profit and loss

	Year ended 31 March 2026	Year ended 31 March 2025
Current tax	870	1,384
Deferred tax:		
MAT credit entitlement	329	402
Others related to:		
Origination and reversal of other temporary differences	(257)	(149)
Tax expense for the year	**941**	**1,637**
Reconciliation of effective tax rate		
Profit before tax and exceptional item	4,875	6,279
Add: Exceptional item	(766)	320
Profit before tax	**4,109**	**6,599**
Tax at statutory income tax rate 34.46% (31 March 2025 - 34.39%)	1,416	2,269

Notes to the 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 31 March 2026	Year ended 31 March 2025
Tax effects of amounts which are not deductible / (taxable) in calculating taxable income		
Tax incentive	(548)	(808)
Non-deductible expense	38	24
Basis difference that will reverse during the tax holiday period	7	71
Adjustments for current tax of prior periods	38	(20)
Effect of settlement under 'Vivad se Vishwas' scheme	-	95
Others	(7)	5
Income tax expense	**942**	**1,637**

(b) Amounts recognised in other comprehensive income

	31 March 2026			31 March 2025		
	Before tax	Tax benefit/ expense	Net of Tax	Before tax	Tax benefit/ expense	Net of Tax
(i) Items that will not be reclassified subsequently to profit or loss						
Re-measurement on defined benefit plans	(63)	16	(47)	11	(2)	8
Changes in the Fair Value of equity investments at FVTOCI	-	-	-	18	(6)	12
	(63)	**16**	**(47)**	**29**	**(9)**	**20**
(ii) Items that will be reclassified subsequently to profit or loss						
Effective portion of gains/(losses) on hedging instrument in cash flow hedges	(3,082)	766	(2,316)	(146)	44	(102)
Foreign operations – foreign currency translation differences	403	-	403	(64)		(64)
	(2,679)	**766**	**(1,913)**	**(211)**	**44**	**(166)**
Other comprehensive income/ (loss) for the year, net of taxes	**(2,742)**	**782**	**(1,960)**	**(182)**	**34**	**(146)**

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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) Recognised deferred tax assets and liabilities

For the year ended 31 March 2026	Opening balance	Recognised in profit or loss	Recognised in OCI	Recognised in equity	Others	Closing balance
Deferred tax asset						
MAT credit entitlement	1,275	(329)	-	-	-	946
Defined benefit obligations	209	53	16	-	-	278
Derivatives, net	-	-	478		-	478
Others	28	(7)		-	(2)	19
Gross deferred tax assets	**1,512**	**(283)**	**494**	**-**	**(2)**	**1,721**
Deferred tax liability						
Property, plant and equipment, investment property and intangible assets, net	930	(215)	-	-	(2)	714
Derivatives, net	288	-	(288)	-	-	-
Others	-	-	-	-	-	-
Gross deferred tax liability	**1,221**	**(215)**	**(288)**	**-**	**(2)**	**714**
Deferred tax assets / (liabilities), net	**292**	**(68)**	**782**	**-**	**-**	**1,007**

For the year ended 31 March 2025	Opening balance	Recognised in profit or loss	Recognised in OCI	Recognised in equity	Others	Closing balance
Deferred tax asset						
MAT credit entitlement	1,572	(402)	-	-	105	1,275
Defined benefit obligations	190	10	(2)	-	11	209
Others	64	9	(6)	-	(39)	28
Gross deferred tax assets	**1,826**	**(383)**	**(8)**	**-**	**77**	**1,512**
Deferred tax liability						
Property, plant and equipment, investment property and intangible assets, net	1,063	(130)	-	-	(3)	930
Derivatives, net	332	-	(44)	-	-	288
Others	24	-	-	-	(24)	-
Gross deferred tax liability	**1,419**	**(130)**	**(44)**	**-**	**(27)**	**1,218**
Deferred tax assets / (liabilities), net	**407**	**(253)**	**36**	**-**	**104**	**295**

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for the year ended March 31, 2026

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(d) During the year ended 31 March 2025, the Company has opted for "Vivad se Vishwas Scheme, 2024" which has resulted in settlement of pending TDS assessments related to non resident tax deductions. Consequent to this, tax expense under the scheme amounting to Rs 95 million has been recorded under the head "Current tax". The settlement has also resulted in reduction of contingent liabilities by Rs 197 million in the prior years ended 31 March 2025.

(e) The Company does not have any carried-forward tax losses till FY26.

31. Contingent liabilities and commitments

(to the extent not provided for)

Particulars	31 March 2026	31 March 2025
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debt	5,311	6,285
The above includes:		
(I) Income tax matters under dispute for notices and orders received relating to financial year 2008-09, 2012-13 to 2018-19, 2020-21 and 2021-22 (31 March 2025 : financial year 2008-09, 2012-13 to 2018-19, 2020-21 and 2021-22)	5,184	6,158
(II) Indirect tax matters under dispute for notices and orders received relating to financial year 2009-10 to 2017-18 (31 March 2025 : financial year 2009-10 to 2017-18)	127	127

(III) In light of judgment of Honourable Supreme Court dated 28th February 2019 on the definition of "Basic Wages" under the Employees Provident Funds & Misc. Provisions Act, 1952 and based on Group's evaluation, there are significant uncertainties and numerous interpretative issues relating to the judgement and hence it is unclear as to whether the clarified definition of Basic Wage would be applicable prospectively or retrospectively. The amount of the obligation therefore cannot be measured with sufficient reliability for past periods and hence has currently been considered to be a contingent liability.

Including the matters disclosed above, the Group is involved in taxation matters that arise from time to time in the ordinary course of business for years that are under assessment. 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. 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.

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Particulars	31 March 2026	31 March 2025
(b) Guarantees		
Guarantees given by banks on behalf of the Group for contractual obligations of the Group.	54	50
The necessary terms and conditions have been complied with and no liabilities have arisen.		
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account not provided for, net of advances	535	1,707

* Less than Rs. 0.5 million.

32. (a) Interest in other entities

Subsidiaries

The Group's subsidiary as at 31 March 2026 is 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		Ownership interest held by the non-controlling interest		Principal activities
		31 March 2026 %	31 March 2025 %	31 March 2026 %	31 March 2025 %	
Syngene USA Inc.	United States	100	100	-	-	Business support and marketing for research services
Syngene Scientific Solutions Limited	India	100	100	-	-	CRAMS and clinical research services
Syngene Manufacturing Solutions Limited	India	100	100	-	-	Manufacture of enzyme products and medicinal goods

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(b) Additional information, as required under Schedule III of the Act, of enterprises consolidated as subsidiary

Name of entity	Net assets as at 31 March 2026		Share in profit or loss for the year ended 31 March 2026		Share in other comprehensive income for the year ended 31 March 2026		Share in total comprehensive income for the year ended 31 March 2026	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated other comprehensive income	Amount
Holding Company								
Syngene International Limited	88.2%	42,670	95.7%	3,030	97.5%	(1,912)	92.6%	1,118
Subsidiaries								-
Syngene USA Inc.	9.7%	4,708	-2.4%	(77)		-	-6.4%	(77)
Syngene Scientific Solutions Limited	2.1%	1,014	6.8%	214	2.5%	(48)	13.7%	166
Syngene Manufacturing Solutions Limited	0.0%	(1)	0.0%	*		-	0.0%	-
Non-controlling interest	-	-	-	-	-	-	-	-
Total	**100%**	**48,391**	**100%**	**3,167**	**100%**	**(1,960)**	**100%**	**1,207**

* Less than Rs. 0.5 million.

Name of entity	Net assets as at 31 March 2026		Share in profit or loss for the year ended 31 March 2026		Share in other comprehensive income for the year ended 31 March 2026		Share in total comprehensive income for the year ended 31 March 2026	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated other comprehensive income	Amount
Holding Company								
Syngene International Limited	88.9%	42,042	94.3%	4,680	98.8%	(145)	94.2%	4,535
Subsidiaries								-
Syngene USA Inc.	9.3%	4,415	0.8%	38		-	0.8%	38
Syngene Scientific Solutions Limited	1.7%	812	4.9%	244	1.2%	(2)	5.0%	242
Syngene Manufacturing Solutions Limited	0.0%	(1)	0.0%	-*		-	0.0%	-
Non-controlling interest	-	-	-	-	-	-	-	-
Total	**100%**	**47,268**	**100%**	**4,962**	**100%**	**(147)**	**100%**	**4,815**

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33. Segmental Information

Operating segments

The Group is engaged in a single operating segment of providing contract research and manufacturing services. Accordingly, there are no additional disclosures to be provided Ind AS 108 'Operating Segments' other than those already provided in these consolidated financial statements.

Geographical information

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

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from operations:		
India	981	1,399
United States of America	23,484	22,273
Europe	11,462	11,260
Rest of the World	1,460	1,492
Total	**37,387**	**36,424**

The following is the carrying amount of non current assets by geographical area in which the assets are located:

Carrying amount of non-current assets	31 March 2026	31 March 2025
India	41,846	42,269
Outside India	-	-
Total	**41,846**	**42,269**

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

Major customer

Revenue from two customers (31 March 2025 - two customer) of the Group's Revenue from operations aggregates to Rs. 13,926 (31 March 2025 - Rs. 14,987) which is more than 10 percent of the Group's total revenue.

34. Share based compensation

(1) Syngene ESOP Plan 2011

On 20 July 2012, Syngene Employee Welfare Trust ('Trust') was created for the welfare and benefit of the employees and directors of the Company and administrated by the Nomination and Remuneration Committee. The Board of Directors approved the employee stock option plan of the Company. On 31 October 2012, the Trust subscribed into the equity shares of the Company using the proceeds from interest free loan of Rs. 150 obtained from the Company.

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Grant

Pursuant to the Scheme, the Company has granted options to eligible employees of the Company under Syngene Employee Stock Option Plan - 2011. Each option entitles for one equity share. The options under this grant will vest to the employees as 25%, 35% and 40% of the total grant at end of second, third and fourth year from the date of grant, respectively, with an exercise period of three years for each grant. The vesting conditions include service terms and performance of the employees. These options are exercisable at an exercise price of Rs. 11.25 [31 March 2025 : Rs. 11.25] per share (Face Value of Rs. 10 per share).

Particulars	31 March 2026 No. of options	31 March 2025 No. of options
Outstanding at the beginning of the year	33,999	134,123
Granted during the year	-	-
Forfeited / lapsed during the year	(2,818)	(10,132)
Exercised during the year	(10,733)	(89,992)
Outstanding at the end of the year	**20,448**	**33,999**
Exercisable at the end of the year	20,448	33,999
Weighted average exercise price	11.25	11.25
Weighted average fair value of shares granted during the year under Black Scholes Model (In Rs)	-	-
Weighted average share price at the date of exercise (In Rs)	452.7	787.7

The weighted average remaining contractual life for the stock options outstanding as at 31 March 2026 is 1 years [31 March 2025 : 2 years].

(2) Syngene Restricted Stock Unit Long Term Incentive Plan 2020

The Board of Directors of the Company on 24 April 2019 and the Shareholders of the Company in the Annual General Meeting held on 24 July 2019 approved the Syngene Restricted Stock Unit Long Term Incentive Plan FY 2020. Each option entitles for one equity share. The options under this grant will vest to the employees as 25%, 25%, 25% and 25% of the total grant at the end of first, second, third and fourth year from the date of first grant, respectively, with an exercise period of 5 years for each grant. The vesting conditions include service terms and performance of the employees. These options are exercisable at an exercise price of Rs. 10 per share (Face Value of Rs. 10 per share).

Details of Grant

Particulars	31 March 2026 No. of options	31 March 2025 No. of options
Outstanding at the beginning of the year	222,562	842,084
Granted during the year	-	-
Forfeited during the year		(70,507)
Exercised during the year	(73,536)	(549,015)
Outstanding at the end of the year	**149,026**	**222,562**
Exercisable at the end of the year	149,026	222,562
Weighted average exercise price	10.00	10.00
Weighted average fair value of shares granted during the year under Black Scholes Model (In Rs)	-	-
Weighted average share price at the date of exercise during the year (In Rs)	452.7	787.7

Notes to the 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)

The weighted average remaining contractual life for the stock options outstanding as at 31 March 2026 is 1.34 years [31 March 2025 : 2.34 years].

Assumptions used in determination of the fair value of the stock options under the Black Scholes Model are as follows:

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

Particulars	31 March 2026	31 March 2025
Dividend yield (%)	0.0%	0.0%
Exercise Price (In Rs)	10	10
Volatility	30.4%	30.4%
Life of the options granted (vesting and exercise period) [in years]	3.5	3.5
Average risk-free interest rate	7.2%	7.2%

(3) Syngene Long Term Incentive Performance Share Plan 2023

The Board of Directors of the Company on 22 March 2023 and the Shareholders of the Company on 23 April 2023 approved the Syngene Long Term Incentive Performance Share Plan 2023. Each option entitles for one equity share. The plan comprises of 3 metrics basis which performance is evaluated and the units shall vest on 31 May after the close of the third financial year for which the performance is being considered i.e. 31 May 2025, with an exercise period of 5 years for each grant. The vesting conditions include service terms of the employees. These options are exercisable at an exercise price of Rs. 10 per share (Face Value of Rs. 10 per share).

Details of Grant

Particulars	31 March 2026 No. of options	31 March 2025 No. of options
Outstanding at the beginning of the year	985,767	258,254
Granted during the year	814,611	1,180,989
Forfeited during the year	(199,575)	(453,476)
Exercised during the year	(322,348)	-
Outstanding at the end of the year	**1,278,454**	**985,767**
Exercisable at the end of the year	1,278,454	985,767
Weighted average exercise price	10	10
Weighted average value of shares granted during the year under Black Scholes Model (In Rs)	688	839
Weighted average share price at the date of exercise during the year (In Rs)	613.3	977

The weighted average remaining contractual life for the stock options outstanding as at 31 March 2025 is 5.29 years [31 March 2025 : 6.29].

Notes to the 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)

Assumptions used in determination of the fair value of the stock options under the Black Scholes Model are as follows:

Particulars	31 March 2026	31 March 2025
Dividend yield (%)	0.0%	0.0%
Exercise Price (In Rs)	10	10
Volatility	25.4%	25.4%
Life of the options granted (vesting and exercise period) [in years]	6.29	6.29
Average risk-free interest rate	6.5%	6.5%

(4) Syngene Long Term Incentive Outperformance Share Plan 2023

The Board of Directors of the Company on 22 March 2023 and the Shareholders of the Company on 23 April 2023 approved the Syngene Long Term Incentive Outperformance Share Plan 2023. The performance assessment period for the said plan is FY 2023 to FY 2027 (i.e. 5 years). However, no grants were given to any employees during the year ended 31 March 2026. Accordingly, no accounting has been done in the current financial year.

(5) Syngene Phantom Stock Option plan 2025(PSOP)

The Board of Directors of the Company on 08 October 2025 approved the Syngene Phantom Stock Option plan 2025. Each option entitles for Cash equivalent to the excess of threshold being determined as on the date of Vesting. The plan comprises of 3 metrics basis which performance is evaluated and the units shall vest on FY 2026 to FY 2028 on 31 May after the close of the third financial year for which the performance is being considered i.e. 31 May 2025, with an exercise period of 3 years for each grant. The vesting conditions include service terms of the employees. The PSOP are classified as liability awards and expensed over the employee requisite service period (three years) based on the fair market value of a Share of the Company as determined by a registered valuer as of each balance sheet date.

Particulars	31 March 2026 No. of options	31 March 2025 No. of options
Outstanding at the beginning of the year	-	-
Granted during the year	43,527	-
Forfeited during the year	(24,173)	-
Exercised during the year		
Outstanding at the end of the year	**19,354**	**-**
Exercisable at the end of the year	-	-
Weighted average exercise price	10.00	-
Weighted average value of shares granted during the year under Black Scholes Model (In Rs)	582.1	-
Weighted average share price at the date of exercise during the year (In Rs)	-	-

The weighted average remaining contractual life for the stock options outstanding as at 31 March 2026 is 2.5 years

Notes to the 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)

Assumptions used in determination of the fair value of the stock options under the Black Scholes Model are as follows:

Particulars	31 March 2026	31 March 2025
Dividend yield (%)	0.0%	-
Exercise Price (In Rs)	10	-
Volatility	29.0%	-
Life of the options granted (vesting and exercise period) [in years]	2.5	-
Average risk-free interest rate	6.1%	-

Syngene Employee Welfare Trust

The assets and liabilities of the aforesaid trust have been accounted for as the assets and liabilities of the Company on the basis that such trust is merely acting as the agent of the company (as given in the table below).

Particulars	31 March 2026	31 March 2025
Assets		
Investments	42	40
Other current assets	7	6
Liabilities		
Reserves	(41)	(38)
Current liabilites	(10)	(9)
Cash and bank balance	**2**	**(1)**

35. Leases

The Group has entered into lease agreements for use of land, buildings, plant and equipment and vehicles which expires over a period ranging upto the year of 2039. Gross payments for the year aggregate to Rs. 549 (31 March 2025 - Rs. 537).

The weighted average borrowing rate of 8% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

The following is the movement in lease liabilities during the year ended 31 March 2026:

Particulars	Land	Buildings	Vehicles	Total
Balance at the beginning	281	4,277	25	4,584
Additions during the year	-	79	-	79
Finance cost accrued during the period	19	362	1	382
Deletions	-	-	(5)	(5)
Payment of lease liabilities	(41)	(493)	(15)	(549)
Balance at the end	**259**	**4,225**	**6**	**4,490**

Notes to the 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)

The following is the movement in lease liabilities during the year ended 31 March 2025:

Particulars	Land	Buildings	Vehicles	Total
Balance at the beginning	299	3,787	48	4,136
Additions during the year	-	896	-	896
Finance cost accrued during the period	20	369	3	392
Deletions	0	(303)	(1)	(304)
Payment of lease liabilities	(38)	(473)	(26)	(537)
Balance at the end	**281**	**4,277**	**25**	**4,584**

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

Particulars	31 March 2026	31 March 2025
Current	505	495
Non-current	3,985	4,088
Total	**4,490**	**4,584**

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

Particulars	31 March 2026	31 March 2025
Less than one year	552	526
One to five years	2,435	2,272
More than five years	4,131	4,736
Total	**7,119**	**7,534**

The following are the amounts recognised in the statement of profit or loss:

Particulars	31 March 2026	31 March 2025
Depreciation expenses on right of use-assets	419	465
Interest expenses on lease liabilities	382	392
Rent (Refer note 25)	58	61
Total	**859**	**917**

Notes to the 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)

36. Exceptional items

(a) ‘On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and Frequently Asked Questions(FAQs) to enable assessment of the financial impact due to changes in regulations. The Group initially assessed and disclosed the incremental impact of these changes on the basis its existing remuneration structure. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Group presented such incremental impact under “Exceptional Items” in the standalone and consolidated financial statements for the period ended December 31, 2025. The incremental expense consisting of gratuity of Rs. 706 million in the consolidated financial statements respectively primarily arose due to change in wage definition.

During the quarter ended 31 March 2026, the management re-assessed the impact of the new labour codes based on the revised remuneration structure. Accordingly, the gratuity obligation was re-measured, resulting in a credit of Rs. 244 million in the consolidated financial statements for the current quarter.

For the year ended 31 March 2026, the net expense recognised under Exceptional Items amounted Rs. 462 million in the consolidated financial statements, respectively.

The Group continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would accordingly take necessary steps for compliance thereof and also provide appropriate accounting effect on the basis of such developments, as needed.

(b). During the quarter ended 31 March 2026, termination benefits amounting to INR 304 million were extended to employees in accordance with the approved policy. Considering the nature, significance and frequency of these benefits, these are disclosed as “Exceptional items” in the consolidated financial statements.

(c). During the year ended 31 March 2025, the Company has received its final claim of Rs 320 million from the insurance company for the loss of fixed assets in a fire incident on 12 December 2016, and the same has been presented in this consolidated financial statements under the ‘Exceptional Items’.

37. Corporate social responsibility

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

Particulars	31 March 2026	31 March 2025
(a) Amount required to be spent by the Company during the year	126	115
(b) Amount unspent of previous years shortfall	7	10
(c) Amount spent during the year (in cash)		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	112	118
(d) Amount unspent and carried forward to next year	21	7

Notes to the 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) Details of unspent obligations:

Details of ongoing project and other than ongoing project

In case of Section 135(5) of the Companies Act, 2013 (Ongoing project)						
Opening balance as at 1 April 2025		Amount required to be spent during the year	Amount spent during the year		Closing balance as at 31 March 2026	
With Company	In Separate CSR Unspent		From Company's bank account	From Separate CSR Unspent account	With Company	In Separate CSR Unspent account
4	3	133	108	4	21	

In case of Section 135(5) of the Companies Act, 2013 (Other than ongoing project)				
Opening Balance as at 1 April 2025	Amount deposited in specified fund of Schedule VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance as at 31 Dec 2026
-	-	-	-	-

In case of Section 135(5) of the Companies Act, 2013 (Ongoing project)						
Opening balance as at 1 April 2024		Amount required to be spent during the year	Amount spent during the year		Closing balance as at 31 March 2025	
With Company	In Separate CSR Unspent		From Company's bank account	From Separate CSR Unspent account	With Company	In Separate CSR Unspent account
-	10	115	111	8	4	3

In case of Section 135(5) of the Companies Act, 2013 (Other than ongoing project)				
Opening Balance as at 1 April 2024	Amount deposited in specified fund of Schedule VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance as at 31 March 2025
-	-	-	-	-

Notes to the 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)

38. Earnings per equity share (EPS)

Particulars	31 March 2026	31 March 2025
Earnings		
Profit for the year	3,167	4,962
Shares		
Basic outstanding shares	402,939,420	402,536,981
Add: number of shares vested but not yet exercised	509,797	515,464
Less: Weighted average shares held with the ESOP Trust	(1,165,989)	(1,126,671)
Weighted average shares used for computing basic EPS	**402,283,228**	**401,925,774**
Add: Effect of dilutive options granted but not yet exercised / not yet eligible for exercise	373,817	392,216
Weighted average shares used for computing diluted EPS	**402,657,045**	**402,317,990**
Earnings per equity share		
Basic (in Rs.)	7.87	12.34
Diluted (in Rs.)	7.87	12.32

39. Other Statutory Information :

(i) The Group does not have any Benami property or any proceeding is pending against the Group for holding any Benami property.

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

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

(iv) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

(v) The Group has not advanced or loaned or invested any funds (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, 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).

(vi) The Group has not received any fund from any parties (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.

(vii) The Group is not classifed as wilful defaulter by Reserve Bank of India.

(viii) The Group doesn't have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as search or survey.

(ix) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

Notes to the 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)

40. (a) On 23 April 2025, the Board of Directors of the Company have approved an allotment of 402,439 equity shares of Rs. 10/- (Rupees Ten each) of the Company to Syngene Employees Welfare Trust at face value pursuant to special resolution passed through Postal Ballot on 23 April 2023 to allot fresh equity shares upto 0.55% (2,200,000 shares) of the paid-up equity capital of the Company in tranches for the purpose of implementation of the Syngene Long Term Incentive Performance Share Plan 2023.

(b) On 24 April 2024, the Board of Directors of the Company have approved an allotment of 521,981 equity shares of Rs. 10/- (Rupees Ten each) of the Company to Syngene Employee Welfare Trust at face value pursuant to the shareholder's approval at the Annual General Meeting on 24 July 2019 to allot fresh equity shares upto 1.67% of the paid-up equity capital of the Company in tranches for the purpose of implementation of the Syngene International Limited - Restricted Stock Unit Long Term Incentive Plan FY 2020."

41. On 23 April 2025, the Board of Directors recommended a final dividend of Rs. 1.25 per equity share of Rs. 10/-. The proposed dividend is subject to the approval of the shareholders in the Annual General Meeting. The shareholders approved the dividend in the Annual General Meeting held on 23 July 2025 and was subsequently paid.

42. On 24 April 2024, the Board of Directors recommended a final dividend of Rs. 1.25 per equity share of Rs. 10/-. The proposed dividend is subject to the approval of the shareholders in the Annual General Meeting. The shareholders approved the dividend in the Annual General Meeting held on 24 July 2024 and was subsequently paid.

43. 'During the quarter ended 31 March 2025, Syngene USA Inc. (wholly-owned subsidiary of the Company) has acquired biologics site in the USA fitted with multiple monoclonal antibody (mAbs) manufacturing lines from Emergent Manufacturing Operations Baltimore, LLC (a subsidiary of Emergent BioSolutions Inc.). This acquisition will increase the company's total single-use bioreactor capacity to 50,000L for large molecule discovery, development, and manufacturing services. This acquisition will also increase the options that can be offered to global customers, providing commercial scale biologics manufacturing capabilities across the Group's global network. The transaction was accounted for as an 'asset acquisition' under Ind AS 103 during the year ended 31 March 2025. The cost incurred till 31 March 25 eligible for capitalization was accumulated as Capital Work in Progress amounting to Rs. 2,981 million (USD 34.89 million). An amount of Rs. 311 million (USD 3.64 million) was capitalized as Land. These amounts included pre-transaction costs of Rs. 101 million (USD 1.18 million). During the year ended 31 March 2026, additional pre-operating cost of Rs. 785 million (USD 8.4 million) eligible for capitalisation has been accumulated under capital work in progress.

44. During the quarter ended 30 September 2025, Rs. 277 million net (Rs. 202 million after tax) was written off as unrecoverable balances in receivables due to cumulative changes in foreign exchange rates.

Notes to the 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)

45. Events after reporting period

a) On 29 April 2026, the Board of Directors of the Company have approved an allotment of 7,29,727 equity shares of Rs. 10/- (Rupees Ten each) of the Company to Syngene Employees Welfare Trust at face value for the purpose of implementation of the Syngene Long Term Incentive Performance Share Plan 2023.

(b) On 29 April 2026, the Board of Directors recommended a final dividend of Rs. 1.25 per equity share of Rs. 10/-. The proposed dividend is subject to the approval of the shareholders in the Annual General Meeting.

(c) On 28 April 2026, the Board of Directors of Syngene Scientific Solutions Limited recommended a final dividend of Rs. 3,15,000 per equity share of Rs. 10/-. The proposed dividend is subject to the approval of the shareholders in the Annual General Meeting.

As per our report of even date attached

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

G Prakash
Partner
Membership number: 099696

Bengaluru
29 April 2026

for and on behalf of **Board of Directors of Syngene International Limited**

Kiran Mazumdar-Shaw
Chairperson
DIN: 00347229

Peter Bains
Managing Director & Chief Executive Officer
DIN: 00430937

Deepak Jain
Chief Financial Officer

Chethan Yogesh
Company Secretary
FCS Number: F-9445

Bengaluru
29 April 2026