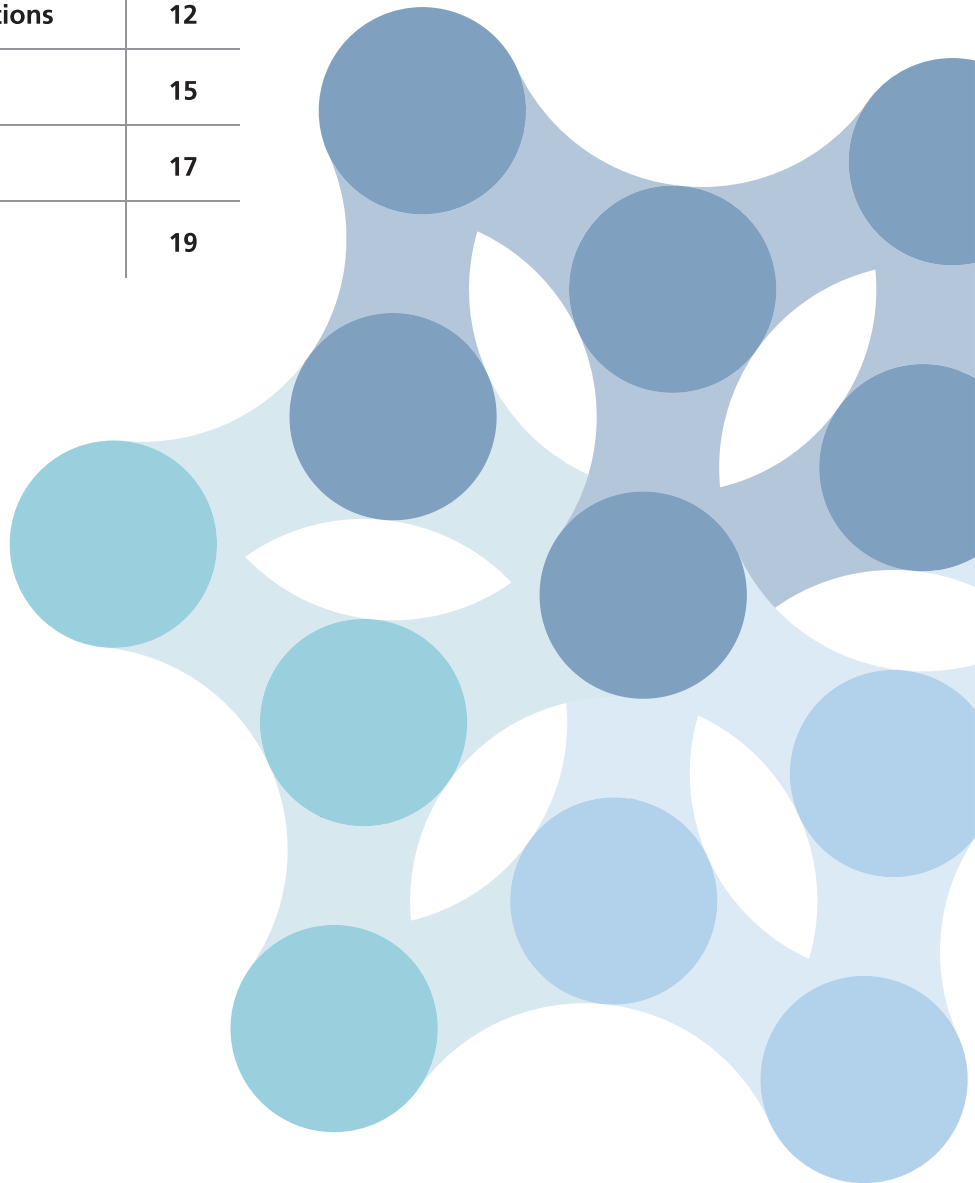




Tax Transparency Report FY24

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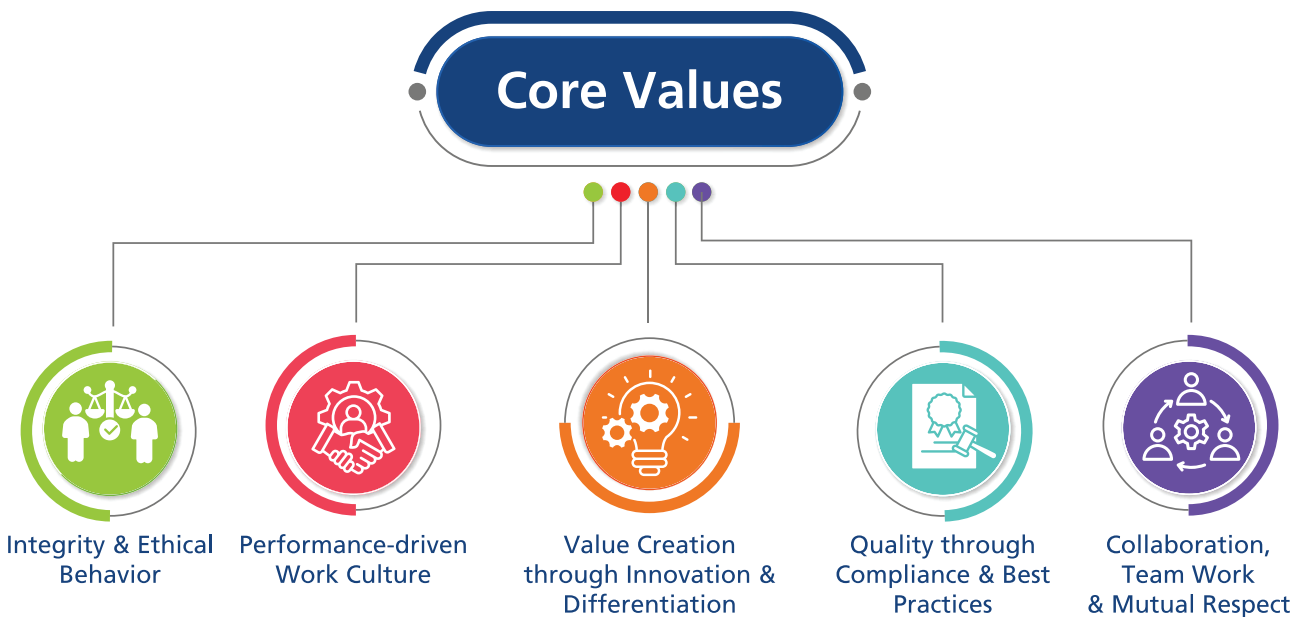
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Introduction

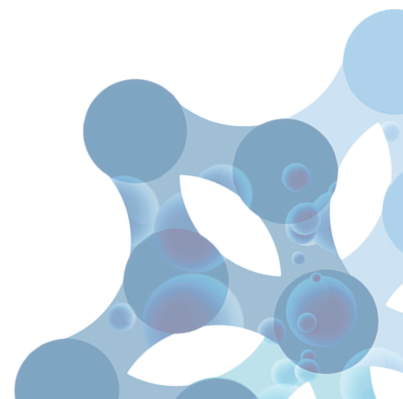
Biocon is a global biopharmaceutical group of companies, changing patients' lives in over 120 countries by finding new and affordable ways to treat diabetes, cancer and autoimmune diseases. It is a value-driven, technology-enabled,

future-ready, global biopharmaceuticals leader, driven by an unwavering purpose to enhance healthcare worldwide through high-quality, affordable therapies that can lower costs, increase access and improve treatment outcomes.

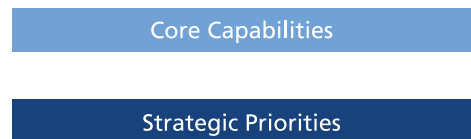
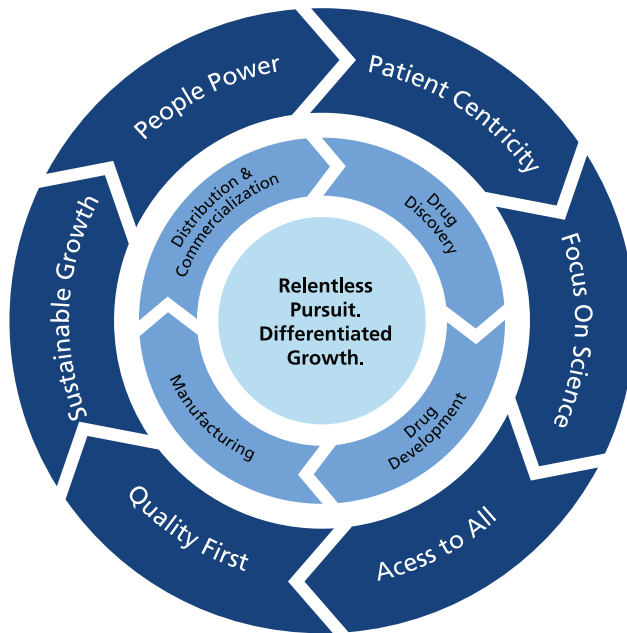


Biocon was incorporated in India in the year 1978. Since then, our pioneering spirit has paved the way for biotechnology in India, and we continue to apply the same spirit in finding novel approaches to improve patient outcomes today for a better tomorrow. Powered by advanced therapy

platforms and our core values, we blend heart, science and creativity to make better healthcare solutions. From pipeline to production, from drug discovery to drug delivery, we bring differentiated, high-quality and affordable healthcare products and services to global communities.



One Company, Four Unique Offerings Across the Pharmaceutical Value Chain



Generics: Ensuring success through quality, affordability, reliability

- Leadership in fermentation-based Active Pharmaceutical Ingredients (APIs) – Immunosuppressants, statins, anti-infectives
- Serving 750+ pharma companies across 100+ countries with a track record of excellence for more than 20 years
- Portfolio of 50+ APIs and 60+ generic formulations
- Expanding portfolio in peptides, high potent and synthetic APIs
- Evolving as a vertically integrated player in complex generic formulations

manufacturing and commercialization in advanced and emerging markets

- Committed to enabling affordable access with global reach in 120+ countries
- Achieved several global ‘firsts’, setting new benchmarks for the industry
- Comprehensive industry-leading portfolio of 20 biosimilars targeting an attractive biosimilars market opportunity of USD 56 billion by 2030
- > USD 3 billion acquisition – Amongst the largest deals in the Indian pharma industry, built on a decade-long strategic partnership with Viatrix

Biosimilars: Leading vertically integrated global biosimilars Company

- Invested over USD 1 billion in building biosimilars’ R&D and manufacturing capabilities
- End-to-end capabilities spanning R&D,

Novel Biologics: Pushing scientific boundaries to deliver impactful innovations

- Differentiated pipeline in immunology, with expansions into new indications
- Bicara addressing unmet needs in oncology through precision immunotherapy with BCA 101

Research Services: Syngene – partnering to deliver innovative scientific solutions

- A global Contract Research Organization (CRO) and Contract Development and Manufacturing Organization (CDMO) offering integrated solutions across discovery, research, development and manufacturing, including commercial supplies for both small and large molecules
- Scientific services spanning multiple therapeutic areas, modalities and industry segments
- Working with 400+ clients and collaborating with 14 of the top 20 pharmaceutical companies
- Operating to global quality standards from 2 million sq. ft. R&D and manufacturing infrastructure in Bengaluru, Mangaluru and Hyderabad, India

FY24 Financial Highlights

- Consolidated Revenue: ₹156,212 million
- Year-on-Year Growth in Consolidated Revenue: 35%
- EBITDA Margin: 27%
- Profit (after exceptional items): ₹12,978 million
- Earnings per Share (EPS): ₹8.55
- Revenue Contribution by Segment
 - » Generics: 19%
 - » Biologics: 58%
 - » Research Services: 23%

Sustainability at Biocon

Sustainable development is an integral part of Biocon's business strategy and sustainable growth has been a philosophy and a key priority at Biocon for several years. We are increasingly converging our activities to provide a rewarding workplace, be a responsible partner and create value in communities.

We consider ourselves accountable to all our stakeholders - including patients, employees, shareholders, vendors, customers, government agencies and supply chain participants - in the way business is being carried out. Biocon Foundation is committed to improving lives and empowering the underserved communities for a better tomorrow. The Foundation's fundamental purpose is to make a positive and lasting impact on the health and education of communities to inspire the development of a knowledge-based, sustainable society.

Pillars for Environmental, Social and Governance (ESG):

- Improve access to high-quality therapeutics to drive 'Patient Equity'
- Build an empowering and inclusive workplace creating 'People Equity'
- Adapting to a sustainable business operation for 'Environment Equity'
- Operate with integrity, transparency and accountability to ensure 'Stakeholder Equity'
- Enable underserved communities with 'Social Equity'

FY24 Non-Financial Highlights

- **Environmental**
 - » Total greenhouse gas emissions avoided during FY24: 218,758 tCO₂e (tonnes (t) of carbon dioxide (CO₂) equivalent (e))
 - » Renewable power as a % of total power consumption: 65%
 - » Water recycled: 70%
 - » Waste disposed through circularity: 79%
- **Social**
 - » Female workforce: 25%
 - » Corporate Social Responsibility (CSR) spend: ₹315.4 million
 - » Lives positively impacted: 375,000+

- **Governance**

- » Zero cybersecurity breaches or threats reported
- » Zero consumer complaints received about data privacy and cybersecurity
- » Zero cases of corruption and bribery

ESG Recognitions

Biocon (including Biocon Biologics)

- Included in S&P's Sustainability Yearbook 2024 for the second consecutive year with S&P Global ESG score of 63
- Named among global sustainability leaders for the third consecutive year in the Dow Jones Sustainability Emerging Markets Index
- In the 2023 Carbon Disclosure Project (CDP) reports, Biocon received an 'A' rating for 'supplier engagement', improved its rating to 'B' from 'C' for 'climate change' and received a 'C' for 'water security'
- Enhanced FTSE4GOOD Index score to 3.6 from 3.2, surpassing the healthcare industry average of 2.3 and biotech sub-industry average of 2.8
- Recognized among Top 30 India's Most Sustainable Companies in 2023 by BW Businessworld
- Ranked 8th in Science magazine's 2023 list of Top 20 Global Employers in biotech, pharma, and biopharma

Biocon Limited

Human Resources

- ET Edge Employee Excellence Award 2023

Supply Chain Management

- Best Procurement Team award at the Procurement Excellence Summit & Awards 2023
- Platinum Award in the Innovative category at the 47th CII National Kaizen Competition

Operational & Quality Excellence

- Excellence Award at 37th National Convention on Quality Concept 2023
- Jury Champion Award in the 'Breakthrough Category' at the 46th CII National Kaizen Competition
- Two awards at Quality Circle Forum of India (QCFI) Convention 37th National Convention on Quality Concept 2023
- Jury Champion Award in the Breakthrough Category at the CII National Kaizen Champions' Trophy Competition 2023
- In the 'Quality Circle Forum of India' (QCFI) convention
 - » Biocon Limited Hyderabad won Gold and Biocon Limited Bengaluru won Silver for Optimization of Water Sampling points and Frequency of testing
 - » Biocon Limited Hyderabad won Gold for reduction of number of testings in ABC material

ESG

- Golden Peacock Award for ESG at the 2023 Annual London Global Convention on Corporate Governance & Sustainability, London (UK)
- Recognized as India's 30 Most Sustainable Companies in 2023 by BW Businessworld

Central Engineering

- Won first prize in 'Best Process Package Boiler' category for safe boiler operations at the 53rd National Safety Day at IIIT, Bengaluru, organized by the Karnataka State Safety Institute

Group Tax Policy

The ensuing Group Tax Policy was approved by the Board of Directors and published in FY24. The policy articulates the strategies, principles and processes that guide our Group's approach to tax as well as our responsible tax management approaches and our strong relationship with tax authorities.

Background

As one of the world's leading biopharma companies with business operations across multiple geographies, we are mindful of our obligation towards society, people and the environment. In staying committed to this, Biocon Group continues to provide quality and life-saving drugs at affordable prices. This is accomplished by doing business ethically - an integral part of Biocon's core values - helping us deliver on our commitments to all our stakeholders.

Biocon Group understands that taxes play an important role in creating greater economic and social impact, especially in the development of countries. Our tax contributions are critical to our commitment to grow and support development in a sustainable, responsible, and socially inclusive way, for the benefit of all our stakeholders. In addition to promptly paying corporate income taxes, property taxes and other indirect taxes, such as customs duty and Goods and Services Tax, we also collect and remit a significant amount of tax on behalf of various entities along the value chain, including employees.

Our tax policy is to pay our fair share of taxes in the jurisdictions where we operate and conduct our tax affairs transparently and with integrity. It sets out the framework and approach to tax across all Group companies. The Group adopts a tax policy which is aligned to the Group's business strategy and organizational goals.

A key part of the tax policy also includes accurate, transparent and timely reporting to the statutory authorities.

Biocon Group endeavors to operate in an efficient and legally compliant manner and seeks external advice, where needed, to manage and improve its tax planning and strategy. Furthermore, the Group examines and utilizes applicable tax incentives in each jurisdiction, provided these incentives are aligned with its business or operational objectives and where the Group firmly believes that it meets the conditions for which the laws and regulations in that jurisdiction are intended to provide legitimate relief. As a policy, we do not undertake aggressive tax planning, which could result in tax evasion or artificial tax planning.

Tax Principles

- 1. Integrity** – Maintain integrity and transparency with respect to tax compliance and reporting.
- 2. Compliance** – Strive to comply with applicable laws, rules and regulations in the countries where we operate and create value.
- 3. Risk Management and Governance Framework** – Develop a tax risk management and governance framework through policies, create awareness of tax risks at various levels and seek appropriate external advice, in cases of uncertainty around application or interpretation of tax laws.
- 4. Appropriate Documentation** – Ensure maintenance of appropriate documentation in successfully meeting the Group's tax compliance requirements.
- 5. Constructive Engagement with Tax Authorities and Tax Advocacy** – Develop cooperative relationships with tax authorities to minimize tax disputes and provide constructive inputs on tax policy matters, which enables economic growth and job creation.

6. Pay Tax in Jurisdiction in Accordance with Value Creation – The Group’s transactions are representative of underlying economic substance in line with the operations in the respective jurisdictions. Accordingly, the Group pays tax in the respective jurisdiction in accordance with value creation.

7. Accountability and Governance – Tax decisions are made in adherence to the principles set out in the Group’s tax policies.

8. Seeking and accepting tax incentives – Where we claim tax incentives offered by the Government, we seek to ensure that they are legitimate and consistent with statutory and regulatory frameworks.

Thus, Biocon Limited, the parent Company headquartered in India, is expected to file the Master File and CbCR within the applicable due date and support the OECD’s work on the Base Erosion Profit Shifting (BEPS) project. In fact, all Group Companies – irrespective of where they operate - are committed to comply with international standards with respect to transfer pricing and in alignment with the BEPS project. With that, we ensure that transfer pricing transactions are at arm’s length and in line with OECD guidelines for international tax matters. Our transfer prices are supported by economic and functional analysis, in compliance with and as required under the applicable laws.

Tax Compliance

Our Group operates in various countries and adheres to the prevalent tax laws of the respective countries. This includes adherence to all matters relating to tax filing, tax reporting, tax payment and audit obligations for all taxes. Accordingly, all necessary compliances are undertaken in a timely manner within applicable due dates.

These statutory compliances are tracked through a compliance tracking system, which has an inbuilt early warning mechanism. Furthermore, system-generated reports are made available and monitored at regular intervals.

Transfer Pricing

All transactions undertaken by the Group across jurisdictions are backed by a compelling business rationale, aimed at delivering quality products to patients in the most efficient and effective manner. Accordingly, all transactions undertaken by the Group are at arm’s length price in accordance with the appropriate transfer pricing regulations and available Organization for Economic Co-operation and Development (OECD) / UN guidance.

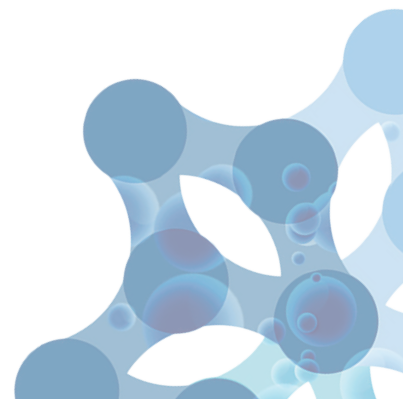
As we have business operations across the world, Master File and Country-by-Country Reporting (CbCR) regulations are applicable to the Group.

Tax Governance

Biocon Group is committed to the highest standards of corporate governance and is transparent about how its tax affairs are managed.

Responsibility for tax governance rests with the tax function, in consultation with the Chief Financial Officer (CFO). While the Audit Committee provides oversight and guidance around tax governance, the Risk Management Committee provides oversight and guidance on effective tax risk management. Accordingly, this Tax Policy is approved by the Audit Committee and the Board of Directors, and is implemented by the tax team, under the guidance of the CFO, within the overall control and governance framework of the Group.

To reinforce our commitment to conduct businesses ethically, we have a Code of Conduct in place that all employees and external advisors are expected to adhere to. The Code outlines what it means to act with integrity and transparency and in accordance with our unique culture and values.



Tax Risk Management

Tax risk management is about identifying tax-related risks and evaluating how they can be addressed. The Risk Management Committee provides oversight on identification, evaluation and mitigation of strategic, operational, legal and compliance risks. Tax-related risks generally fall into one of the following categories:

- Operational - related to tax processes and systems;
- Technical - related to the interpretation of tax laws;
- Legislative – related to changes in tax laws;

The Group's approach to tax risk is integrated with the overall business risk management and compliance framework. The Group's processes, policies and governance are designed to identify and mitigate tax risks at all levels.

Mitigation of Operational Risks

Tax risk in all countries where we operate are managed through robust internal policies, processes, training and compliance programs as part of our Internal Control Framework (ICF). The ICF is a part of our comprehensive, enterprise-wide risk management model, which ensures the reliability of financial reporting and compliance with laws and regulations. Tax risk assessment and controls, which fall under the ambit of the ICF, are also reviewed by internal and external audit firms.

Mitigation of Technical Risks

Our global tax affairs are managed by an in-house team of experienced professionals. This team is part of our Finance function, which reports to the CFO. The tax team, in consultation with the CFO, take various tax positions based on interpretation of tax laws.

Mitigation of Legislative Risks

Once the legislative changes are made, the tax team assesses these and ensures

implementation in accordance with the law. If required, the Group also engages external consultants for advice on legislative changes on tax rules.

Additionally, wherever uncertainty exists in the interpretation of tax laws or legislative changes, advice is sought from professional external consultants.

Relationship with Tax Authorities and Approach to Tax Policy Advocacy

Biocon Group engages with tax authorities with honesty, integrity, respect, fairness and in the spirit of cooperative compliance. We remain committed to collaborate with Governments and advocate for tax legislation that encourages innovation and growth. We are also committed to prompt disclosure and transparency in all tax matters with respective tax authorities.

The Group seeks to maintain open and cooperative relationships with tax authorities by providing appropriate responses to requests and engaging in open dialogue with them, whenever required. In case our views on the appropriate tax treatment differ from those of the tax authorities, we seek to understand and resolve the dispute through available legal recourse. The Group employs the services of professional tax advisors to act as its representatives, as required.

Our Code of Conduct further establishes a zero-tolerance approach towards corruption and articulates the expectation from our employees, tax advisors and suppliers of tax services to act with integrity and maintain high ethical standards in all matters relating to tax.

Wherever relevant, we provide pragmatic and constructive business inputs to tax policy makers, either directly or through industry trade bodies, advocating reform to support economic growth and job creation, as well as the needs of patients and other key stakeholders.

Tax Schedule

We have contributed ₹14,952 million to the public exchequer of the various countries where we operate by way of various taxes, duties, social contribution payments, etc, as disclosed in the tax borne and the tax collected table given below. The total contribution to the exchequer is the result of value addition by various business segments across their respective value chain and multiple hierarchies of business cycle. The details in relation to entity-wise revenue, profit, tax, etc, form part of Form AOC 1 as reported in the Integrated Report of the Company. The jurisdiction-wise key financial information and taxes paid by the Group are given as under:

Key Financial Information

Tax Jurisdiction	Revenues and Profitability (₹ million)		
	Total operating revenue	Profit/ (Loss) before Income Tax	Income Tax accrued (excluding deferred tax)
India	96,472	12,567	2,155
UK	62,063	1,967	17
Malaysia	14,626	(1,798)	1
U.S.	26,403	1,185	760
Others*	29,864	(3,346)	177
Total	229,428	10,575	3,110

Tax Jurisdiction	Other Key Financial Information (₹ million)		
	Stated Capital	Accumulated Earnings	Tangible Assets other than Cash and Cash Equivalents
India	26,544	307,314	112,642
UK	213,648	13,377	313
Malaysia	1,866	(9,042)	28,542
U.S.	2,155	1,493	6,231
Others*	433	52,242	16,678
Total	244,646	365,384	164,406

Key Tax Information

Tax Jurisdiction	Tax Borne (₹ million)		
	Corporate Tax (Cash Basis)	Indirect taxes (VAT, GST, Customs, net of refund)	Others (E.g. Social Security Contribution (Employer), Electricity duty, stamp duty etc.)
India	2,023	392	1,096
UK	528	137	12
Malaysia	1	-	-
U.S.	151	-	209
Others*	252	2,000	148
Total	2,955	2,529	1,465

Tax Jurisdiction	Taxes Collected (₹ million)			
	Indirect Taxes (VAT, GST, Custom Duty, net of refund)	Tax withheld on behalf of suppliers	Payroll Taxes	Social Security contribution (Employee portion, e.g. PF, ESI, Professional Tax etc.)
India	1,572	1,475	2,678	811
UK	34	-	9	2
Malaysia	-	-	-	-
U.S.	-	-	533	145
Others*	438	-	213	93
Total	2,044	1,475	3,433	1,051

*Others include entities in other jurisdictions, where operating revenue is less than 1% of the total operating revenue. Refer to the list of entities in Annexure 1 and the Integrated Report for the afore-mentioned details.



Basis of Preparation

The amount reported in the Tax Schedule are for the period 1 April 2023 to 31 March 2024. The data is reported in Indian Rupees (₹) and is rounded off to the nearest million. The corresponding exchange rates, as considered for consolidation of financial statements, were used to convert the numbers in respective jurisdictional currency into INR terms.

For the purpose of reporting numbers under the Tax Schedule, we have used the individual financial statements of each group entity in the corresponding jurisdiction. If there is more than one group entity in a jurisdiction, the information has been reported on an aggregate basis at the country level. We have reported the Tax and other contributions to the Government by Biocon Limited, our subsidiaries and joint ventures (excluding associates). The contribution made by Biocon Limited, and its subsidiaries, are reported at full amount, and that, for joint ventures, is reported in the proportion of Biocon's shareholding therein.

Our Tax Schedule contains information pertaining to jurisdiction-wise key financial information, along with 'Taxes Borne' and 'Taxes Collected'. While 'Taxes Borne' demonstrates the cost of tax, duties, social security contributions, etc borne by us directly, 'Taxes Collected' is the amount of tax, duties, social security contributions, etc collected by us on behalf of others and subsequently paid to Governments. Over and above the tax-related contributions to Governments, we also incur some social expenditure in the form of CSR-related contributions, etc, which does not form part of our Tax Schedule above.

The Tax Schedule and basis of preparation has been reviewed by an independent Chartered Accountant Firm, Vishnu Daya & Co LLP. The Independent Auditor's Report forms a part of our disclosures below.

Definitions

A) Taxes Borne:

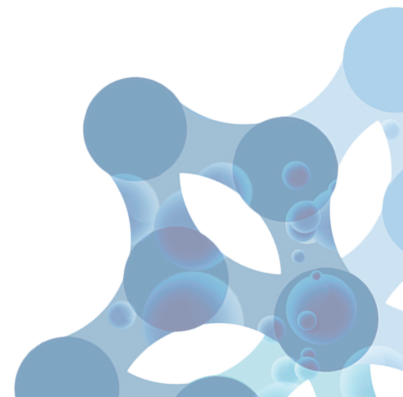
Corporate Tax: These are taxes paid by us on the taxable profits of our Group operations. This includes the amount of taxes withheld/ collected by third parties, while making payment to us/collecting payments from us, but does not include Deferred Tax, Interest and Penalty, if any. Since these are reported on cash basis, it may also include the amount of corporate tax, which was accrued in earlier years but paid during the year on self-assessment or assessment by the jurisdictional Government.

Further, wherever a past year(s) tax refund has been received during the year, this has been netted off against tax paid to reflect the actual cash tax outflow.

These taxes reflect in the cash flow statement of the respective financial years of each Company.

Custom Duty: These are duties, as applicable, paid on the import of goods across borders, net of refund received.

Property Tax: This is an ad valorem tax assessed on real estate by a local Government and paid by the property owner. These reflect the taxes paid by us as a result of occupation of land and/or property in various jurisdictions where we conduct our operations.



Social Security Contribution: These are compulsory payments to the Government that confer entitlement to receive a future social benefit for employees. This includes contribution for funding the social security programmes of the Government, such as Provident Fund (PF) or pension and Employee State Insurance Fund (ESI). However, they are in two forms, i.e., contribution by employer and contribution by employees themselves.

The Social Security Contributions forming part of 'Taxes Borne' reflect the employer's contribution to social security funds for the benefit of individuals employed with us.

Others: This comprises taxes (including GST)/ cess/ charges paid on consumption of electricity, stamp duty that arises on the increase of share capital or registering a document, municipal taxes, property taxes, and other taxes/contributions borne.

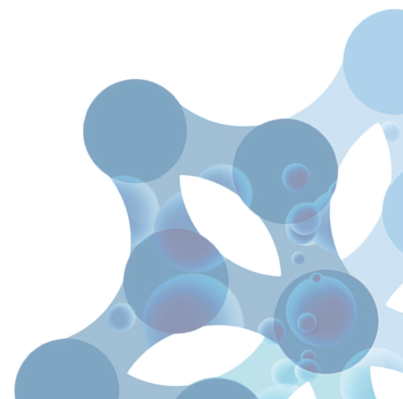
B) Taxes Collected

Indirect Taxes: These refer to taxes like Value Added Tax (VAT)/ Goods and Service Tax (GST), which are consumption taxes levied on the added value and collected from customers while raising invoices on them. These taxes represent the tax billed by us to customers, which were collected by us from customers and eventually paid to respective jurisdictional Governments. This excludes the VAT/ GST billed by us on our invoices relating to stock transfers. We also incur VAT/ GST when purchasing certain goods and services. In most countries where we operate, the VAT/ GST collected are offset against the VAT/ GST incurred, with the net being paid to the Government. The Input VAT/ GST are largely creditable and used for making the payment of VAT/ GST collected. Therefore, we have shown only such input credit which are not creditable in Taxes Borne.

Tax withheld on behalf of vendors and collected from customers: These represent taxes withheld by us on vendor bill payments/taxes collectable from customers and paid/payable to the Government. This also includes taxes collected on various payments received from customers for prescribed goods or services.

Payroll Taxes: These represent taxes withheld on salary payments to individuals employed with us and paid/payable to Governments on their behalf. In addition, payroll taxes include professional tax that is withheld from employee remuneration and paid to the Government by the respective companies in the capacity of an employer.

Social Security Contribution: These, forming part of 'Taxes Collected', represent employees' individual contribution to social security funds, in accordance with the respective jurisdiction's social security laws.



C) OTHER FINANCIAL INFORMATION

1. **Revenue:** This is represented as unrelated and related-party revenues. Unrelated revenue consists of all forms of revenue flowing from entities which are not controlled by us. Related-party revenues include revenue from our Group Companies.
2. **Profit or (Loss) Before Tax:** This refers to the profit or loss in a jurisdiction and is aggregated as per the financials of the entities of the respective jurisdiction.
3. **Corporate Income Taxes Accrued:** This refers to the amount of corporate income tax accruing on the operations for the reporting period and excludes deferred corporate tax and uncertain tax positions. It may or may not be the same as effective tax rates, corporate income taxes paid or refunded in the period, due to timing and other differences not considered in corporate income tax accrued.
4. **Stated Capital and Accumulated Earnings:** This refers to the amount of capital invested in group companies and the earnings accumulated from our operations. The amount of accumulated earnings includes all other reserves, distributable or non-distributable, as well as the securities premium.
5. **Tangible Assets:** This includes property, plant and equipment as defined in the respective jurisdiction's accounting policies, capital work-in- process, investment properties and inventories as on 31 March 2024.



Glossary

1. **AOC-01** - Form AOC-01 is prepared by the Company pursuant to Section 129(3) of the Companies Act, 2013 (read with Rule 5 of the Companies (Accounts) Rules, 2014). It is a statement containing salient features of the financial statements of subsidiaries/ associate companies/ joint ventures.
2. **Arm's Length Principle** - The principle stating that the amount charged by one related party to another for a given product/service must be the same as if the parties were unrelated.
3. **Associates** - As per Section 2(6) of Indian Companies Act, 2013, an Associate Company, in relation to another Company, means a Company in which the other Company has a significant influence, but is not a subsidiary of the Company. For the purposes of this clause, significant influence means control of at least 20% of the total share capital, or of business decisions under an agreement.
4. **Base Erosion Profit Shifting (BEPS)** - This refers to tax planning strategies used by multinational enterprises that exploit gaps and mismatches in tax rules to avoid paying tax. Working together within OECD Inclusive Framework on BEPS, major countries/jurisdictions are collaborating on the implementation of measures to tackle tax avoidance, improve the coherence of international tax rules and ensure a more transparent tax environment.
5. **Biocon/Biocon Group** - Biocon Limited and its affiliates are collectively referred to as Biocon Group. The list of entities in Biocon Group considered for reporting has been provided as Annexure 1.
6. **Country-by-Country Reporting (CbCR)** - This is part of the OECD's BEPS Action Plan whereby large multinationals have to provide an annual return in the form of the CbC report that breaks down key elements of the financial statements by jurisdiction.
7. **Companies Act, 2013** - This is an Act of the Parliament of India on Indian Company law which regulates incorporation of a Company, responsibilities of a Company, directors, dissolution of a Company.
8. **Conflict of Interest** - This occurs when an individual or a corporation (either private or Government) is in a position to exploit their own professional or official capacity in some way, for personal or corporate benefit.
9. **Exchequer** - The Government department that is responsible for the country's finances, including tax levels.
10. **FY** - Financial Year period starting from 01 April 2023 to 31 March 2024.
11. **Global Reporting Initiative (GRI)** - This is an independent international organization that helps businesses and other organizations take responsibility for their impacts, by providing them with the global common language to communicate those impacts.
12. **Master File** - As outlined by OECD, this document provides an overview of an enterprise's global operations as well as transfer pricing policy.

13. Organization for Economic Co-operation and Development (OECD) - OECD is an inter-governmental economic organization, founded in 1961 to promote economic growth, prosperity and sustainable development. They encourage and coordinate international collaboration on tax matters to promote consistency and best practice.

14. Related Party Transactions - It is defined as a transfer of resources, services or obligations between a Company and a related party, regardless of whether a price is charged.

15. Stakeholders - This refers to any group or individual who can affect, or is, affected by, the achievement of an organization's objective.

16. Subsidiary - As per Section 2(87) of the Indian Companies Act 2013, subsidiary Company or - subsidiary, in relation to any other Company (that is to say the holding Company), means a Company in which the holding company:

- i. Controls the composition of the Board of Directors; or
- ii. Exercises or controls more than one-half of the total share capital either at its own or together with one or more of its subsidiary companies:

Provided that such class or classes of holding companies, as may be prescribed, shall not have layers of subsidiaries beyond such numbers as may be prescribed.

Explanation - For the purposes of this clause:

a. a Company shall be deemed to be a subsidiary company of the holding company even if the control referred to in sub-clause

(i) or sub-clause

(ii) is of another subsidiary company of the holding company;

b. the composition of a company's Board of Directors shall be deemed to be controlled by another company if that other company, by exercise of some power exercisable by it at its discretion, can appoint or remove all or a majority of the directors;

c. the expression company includes anybody Corporate;

d. layer in relation to a holding company means its subsidiary or subsidiaries.

17. Tax Deducted at Source (TDS) - A person (deductor) who is liable to make payment of specified nature to any other person (deductee) shall deduct tax at source and remit the same into the account of the Central Government. The concept of TDS enables the collection of tax at the source of the income itself.

18. Tax Collected at Source (TCS) - TCS refers to the tax payable by a seller which they collect from the buyer at the time of sale, wherever applicable.

19. Transfer Pricing - Rules and methods for pricing transactions between enterprises under common ownership or control. Transfer prices are the prices at which an enterprise transfers physical goods and intangible property or provides services to associated enterprises. Transfer pricing should be based on the arm's length principle.

20. Value-Added Tax - This is a tax levied on the price of a product or service at each stage of production, distribution or sale to the end-customer.

21. Withholding Tax - This is an income tax to be paid to the Government by the payer of the income rather than by the recipient of the income. The tax is thus withheld or deducted from the income due to the recipient.

Independent Auditor's Report

To
Biocon Limited
20th KM, Hosur Road, Electronic City,
Bengaluru - 560100
CIN - L24234KA1978PLC003417

Independent Auditor's Report on Tax Schedule included in the 'Tax Transparency Report for FY24

We were engaged by the management of Biocon Limited to report on the 'Tax Schedule' section contained in its Tax Transparency Report ('Report') for the financial year 2023-24, in the form of an independent audit report, concluding whether the Tax Schedule of Biocon Group (hereinafter referred to as 'Biocon' or the 'Group') consisting of Biocon Limited and its subsidiary and joint venture companies, is properly prepared, in all material respects, based on 'Basis of Preparation' included in the Report.

Management's Responsibility

The management is responsible for the preparation and presentation of the Tax Transparency Report for FY24 in accordance with the 'Basis of Preparation' and is responsible for maintaining internal controls, as management determines necessary, to enable the preparation of the Report in a manner that is free from material misstatement, whether due to fraud or error.

Independent Auditor's Responsibility

Our responsibility is to express an opinion on the Tax Schedule based on our verification. We have considered International Standard on Auditing (ISA) 805 on Special Considerations – Audit of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement, which requires us to obtain reasonable assurance that the Tax Transparency Report FY24 is free from material misstatement, whether due to fraud or error.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of this Tax Transparency Report for FY24. We have relied upon the financials of various entities of the Group, which were audited by the respective auditors, as applicable, and other evidence, as made available to us for the purpose of this verification.

Our Opinion

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. In our opinion, the Tax Schedule contained in the Tax Transparency Report for the financial year 2023-24 by the Group has been prepared properly, in all material respects, in accordance with the 'Basis of Preparation'. We further certify that total tax borne was ₹6,949 million (Indian Rupees Six Thousand Nine Hundred and Fourty Nine million only) and total tax collected was ₹8,003 million (Indian Rupees Eight Thousand and Three million only) during the period.

Restriction on Use

In accordance with the terms of our engagement, this independent auditor's report on the Tax Schedule contained in the Tax Transparency Report for FY24 has been prepared for Biocon Group, solely for inclusion in the said Tax Transparency Report and for no other purpose or in any other context. We are appointed to only verify the Tax Schedule in accordance with the Basis of Preparation shared with us and are not the auditors of Biocon Group. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than Biocon for our work, for this audit report or for the conclusions that we have reached. Our report is released to Biocon on the basis that it shall not be copied, referred to or disclosed, in whole (save for inclusion in Biocon Limited's Tax Transparency Report for FY24) or in part, without our prior written consent.

For **Vishnu Daya & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 008456S/S200092

Guruprasad

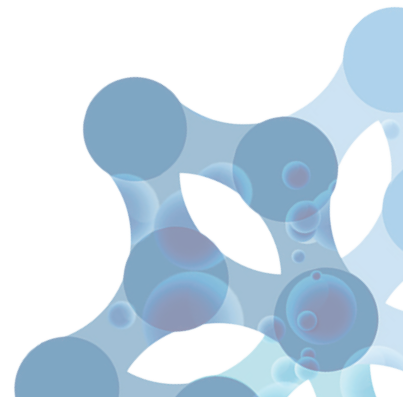
Partner

ICAI Membership No: 219250

Place: **Bengaluru**

Date: **10 July 2024**

(This document is certified using the UDIN facility of ICAI and can be verified at www.udin.icai.org with reference number 24219250BKASTM1023)



Annexure 1: List of entities*

Name of Company	Relation	Principal Activities	Country
Biocon Limited	Parent	Manufacture of biotechnology products and research services	India
Biocon Pharma Limited	Subsidiary	Biopharmaceutical manufacturing	India
Biocon Biosphere Limited	Subsidiary	Biopharmaceutical manufacturing	India
Syngene International Limited	Subsidiary	Contract research and manufacturing services	India
Biocon Biologics Limited (Formerly known as Biocon Biologics India Limited)	Subsidiary	Biopharmaceutical manufacturing	India
Biocon India Limited Employee Welfare Trust	Trust	ESOP Trust	India
Biocon Limited Employee Welfare Trust	Trust	RSU Trust	India
Syngene Employee Welfare Trust	Trust	ESOP Trust	India
Biocon Biologics Limited Employee Welfare Trust	Trust	ESOP Trust	India
Biocon Academy	Trust	Imparting training to the students	India
Syngene Manufacturing Solutions Limited	Subsidiary	Manufacturing of pharmaceutical, biopharmaceutical and biological products of any kind	India
Syngene Scientific Solutions Limited	Subsidiary	Contract research services	India
Biocon Pharma Inc.	Subsidiary	Sale of pharmaceutical products	USA
Syngene USA Inc.	Subsidiary	Marketing and business development support services	USA
Biocon Biologics Inc.	Subsidiary	Business support and marketing for Biosimilar products	USA
Biocon Generics Inc.	Subsidiary	Contract Manufacturing of pharmaceutical products	USA
Biocon Biologics UK Limited (Formerly known as Biocon Biologics Limited)	Subsidiary	Sale of biosimilar products	UK
Biocon Pharma UK Limited	Subsidiary	Sale of pharmaceutical products	UK
Biosimilar Newco Limited	Subsidiary	Sale of biosimilar products	UK
Biocon Sdn. Bhd.	Subsidiary	Biopharmaceutical Manufacturing and sale of biosimilar products	Malaysia

Biocon Biologics (Healthcare) Malaysia SDN. BHD. (Formerly Known as Biocon Healthcare SDN. BHD.)	Subsidiary	Sale of biopharmaceutical products	Malaysia
Biocon Pharma Ireland Limited	Subsidiary	Sale of pharmaceutical products	Ireland
Biocon SA	Subsidiary	Research and development	Switzerland
Biocon Biologics Switzerland AG	Subsidiary	Market entity for the pharmaceutical products	Switzerland
Biocon FZ LLC	Subsidiary	Sale of pharmaceutical products	United Arab Emirates
Neo Biocon FZ LLC	JV	Market entity for the pharmaceutical products	United Arab Emirates
Biocon Biologics FZ-LLC	Subsidiary	Sale of biopharmaceutical products	United Arab Emirates
Biocon Biologics do Brasi Ltda	Subsidiary	Sale of biopharmaceutical Products	Brazil
Biocon Pharma Malta Limited	Subsidiary	Sale of pharmaceutical products	Malta
Biocon Pharma Malta I Limited	Subsidiary	Sale of pharmaceutical products	Malta
Biocon Biologics Canada Inc.	Subsidiary	Market entity for the pharmaceutical products	Canada
Biocon Biologics Germany GmbH	Subsidiary	Market entity for the pharmaceutical products	Germany
Biocon Biologics France S.A.S	Subsidiary	Market entity for the pharmaceutical products	France
Biocon Biologics Spain, S.L.	Subsidiary	Market entity for the pharmaceutical products	Spain
Biocon Biologics Belgium BV	Subsidiary	Market entity for the pharmaceutical products	Belgium
Biocon Biologics Finland OY	Subsidiary	Market entity for the pharmaceutical products	Finland
Biocon Biologics Morocco S.A.R.L.A.U	Subsidiary	Market entity for the pharmaceutical products	Morocco
Biocon Biologics Greece SINGLE MEMBER P.C	Subsidiary	Market entity for the pharmaceutical products	Greece
Biocon Biologics South Africa (PTY) Ltd	Subsidiary	Market entity for the pharmaceutical products	South Africa
Biocon Biologics (Thailand) Co. Ltd	Subsidiary	Market entity for the pharmaceutical products	Thailand
Biocon Biologics Philippines Inc	Subsidiary	Market entity for the pharmaceutical products	Philippines
Biocon Biologics Italy S.R.L	Subsidiary	Market entity for the pharmaceutical products	Italy

* Biocon Limited and its group entities

Disclaimer:

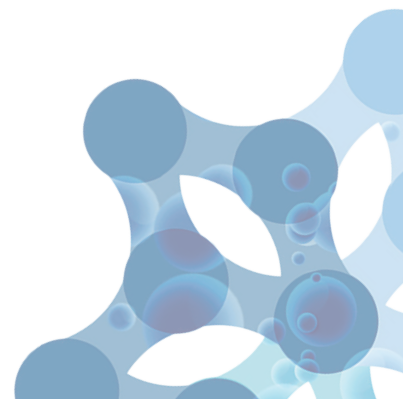
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The information in the report, along with any estimates, predictions, and forward-looking statements, if any, are made on the basis of current performance and information. This does not take into account any external factors and changes in the socio-economic or regulatory environment. Further, market information used are based on several published reports and internal Company assessments. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Feedback:

We invite you to provide any feedback or input by contacting:

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