

B S R & Co. LLP

Chartered Accountants

Maruthi Info-Tech Centre
11-12/1 Inner Ring Road
Koramangala
Bangalore 560 071 India

Telephone +91 80 7134 7000
Fax +91 80 7134 7999

Limited Review report

Review report to The Board of Directors of Biocon Limited

We have reviewed the accompanying statement of unaudited standalone financial results ("Statement") of Biocon Limited ("the Company") for the quarter and half year ended 30 September 2017 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Regulations').

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of SEBI Regulations and SEBI Circular dated 5 July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Chartered Accountants

Firm Registration Number: 101248W/W-100022



S Sethuraman

Partner

Membership Number: 203491

Place: Bengaluru

Date: 26 October 2017

B S R & Co. LLP

Chartered Accountants

Maruthi Info-Tech Centre
11-12/1 Inner Ring Road
Koramangala
Bangalore 560 071 India

Telephone +91 80 7134 7000
Fax +91 80 7134 7999

Limited Review report

Review Report to The Board of Directors of Biocon Limited

We have reviewed the accompanying statement of unaudited consolidated financial results ("Statement") of Biocon Limited ('the Company'), its subsidiaries, associate and a joint venture (collectively referred to as 'the Group') (Refer to Note 3 of the Statement), for the quarter and half year ended 30 September 2017 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Regulations').

This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We did not review the unaudited financial information of a subsidiary and a joint venture both incorporated outside India included in the consolidated financial results of the Group. This subsidiary accounts for Rs 321 million and Rs 451 million of net loss and Rs 402 million and Rs 1,128 million of revenues (including other income) for the quarter and half year ended 30 September 2017 and Rs 23,021 million of total assets as at 30 September 2017. The financial results also includes Group's share of net profit of Rs 59 million and Rs 100 million for the quarter and half year ended 30 September 2017, in respect of such joint venture. The unaudited financial results of the subsidiary and joint venture both incorporated outside India have been reviewed by the other auditors whose reports have been furnished to us. Our opinion on the unaudited consolidated Statement, in so far as it relates to this subsidiary and joint venture, is based on the aforesaid review reports of the other auditors.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of SEBI Regulations and SEBI Circular dated 5 July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

for B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022

S Sethuraman

Partner

Membership Number: 203491

Place: Bengaluru

Date: 26 October 2017

BIOCON LIMITED

CIN: L24234KA1978PLC003417 Website: www.biocon.com

Registered office: 20th KM HOSUR ROAD, ELECTRONIC CITY P.O., BANGALORE - 560 100

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2017

(Rs. in Million, except per equity share data)

Sl. No.	Particulars	3 months ended	3 months ended	3 months ended	6 months ended	6 months ended	Previous Year
		30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	ended 31.03.2017
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	Revenue from operations	6,047	5,806	6,259	11,853	13,313	26,184
	Other income	457	261	255	718	524	988
	Total income	6,504	6,067	6,514	12,571	13,837	27,172
2	Expenses						
	a) Cost of raw materials and packing materials consumed	1,922	2,495	2,523	4,417	4,651	9,915
	b) Purchases of traded goods	240	171	219	411	503	902
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	556	(228)	(330)	328	251	(465)
	d) Excise duty	-	63	83	63	179	305
	e) Employee benefits expense	964	961	892	1,925	1,793	3,650
	f) Finance costs	2	9	16	11	21	38
	g) Depreciation and amortisation expenses	334	372	378	706	743	1,506
	h) Other expenses	1,645	1,482	1,553	3,127	2,798	5,963
		5,663	5,325	5,334	10,988	10,939	21,814
	Less: Recovery of cost from co-development partners (net)	(9)	-	(2)	(9)	(1)	(4)
	Total expenses	5,654	5,325	5,332	10,979	10,938	21,810
3	Profit before tax and exceptional item	850	742	1,182	1,592	2,899	5,362
4	Exceptional items	-	-	-	-	-	-
5	Profit before tax (3 + 4)	850	742	1,182	1,592	2,899	5,362
6	Tax expense	166	197	482	363	785	169
7	Profit for the period/year (5 - 6)	684	545	700	1,229	2,114	5,193
8	Other comprehensive income						
	A (i) Items that will not be reclassified to profit or loss	(7)	(7)	(5)	(14)	(10)	(27)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	2	-	4	9
	B (i) Items that will be reclassified to profit or loss	(44)	(11)	62	(55)	52	149
	(ii) Income tax relating to items that will be reclassified to profit or loss	15	4	(15)	19	(15)	(47)
	Other comprehensive income, net of taxes	(36)	(14)	44	(50)	31	84
9	Total comprehensive income for the period (7+8)	648	531	744	1,179	2,145	5,277
10	Paid-up equity share capital (Face value of Rs. 5 each)	3,000	3,000	1,000	3,000	1,000	1,000
11	Reserves i.e. Other equity						64,411
13	Earnings per share (of Rs. 5 each) (refer note 6 below)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic	1.16	0.92	1.19	2.09	3.59	8.82
	(b) Diluted	1.15	0.92	1.18	2.07	3.57	8.76
	See accompanying notes to the financial results						



BIOCON LIMITED
Standalone Balance Sheet

(Rs. in Million)

	<u>As at</u> <u>September 30, 2017</u> (Unaudited)	<u>As at</u> <u>March 31, 2017</u> (Audited)
A ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	8,309	8,649
(b) Capital work-in-progress	2,893	2,408
(c) Investment property	437	439
(d) Intangible assets	256	292
(e) Financial assets		
Investments	34,971	33,635
Loans	2,521	1,923
Other financial assets	226	243
(g) Income tax asset, net	523	414
(h) Deferred tax asset, net	1,073	1,054
(i) Other non-current assets	2,393	1,847
Total non-current assets	53,602	50,904
2 Current assets		
(a) Inventories	5,398	5,396
(b) Financial assets		
Investments	6,957	5,247
Trade receivables	7,306	7,982
Cash and cash equivalents	2,120	3,416
Other bank balances	3	413
Other financial assets	760	983
(c) Other current assets	249	348
Total current assets	22,793	23,785
TOTAL - ASSETS	76,395	74,689
B EQUITY AND LIABILITIES		
1 Equity		
(a) Share capital	3,000	1,000
(b) Other equity	63,004	64,411
Total Equity	66,004	65,411
2 Non-current liabilities		
(a) Financial liabilities		
Borrowings	1,326	1,324
Other financial liabilities	13	2
(b) Provisions	133	133
(c) Other non-current liabilities	738	767
Total non-current liabilities	2,210	2,226
3 Current liabilities		
(a) Financial liabilities		
Borrowings	653	-
Trade payables	5,255	4,505
Other financial liabilities	555	663
(b) Provisions	352	320
(c) Income tax liability, net	733	777
(d) Other current liabilities	633	787
Total current liabilities	8,181	7,052
TOTAL - EQUITY AND LIABILITIES	76,395	74,689



BIOCON LIMITED

CIN: L24234KA1978PLC003417 Website: www.biocon.com

Registered office: 20th KM HOSUR ROAD, ELECTRONIC CITY P.O., BANGALORE - 560 100

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2017

(Rs. in Million, except per equity share data)

Sl. No.	Particulars	3 months ended	3 months ended	3 months ended	6 months ended	6 months ended	Previous Year ended 31.03.2017
		30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	Revenue from operations	9,686	9,337	9,541	19,023	19,461	39,216
	Other income	508	540	384	1,048	797	1,571
	Total income	10,194	9,877	9,925	20,071	20,258	40,787
2	Expenses						
	a) Cost of raw materials and packing materials consumed	3,077	3,547	3,260	6,624	6,011	13,224
	b) Purchases of traded goods	718	504	556	1,222	1,145	1,932
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(19)	(456)	(361)	(475)	205	(690)
	d) Excise duty	-	63	83	63	179	305
	e) Employee benefits expense	2,255	2,133	1,804	4,388	3,589	7,470
	f) Finance costs	138	161	65	299	122	260
	g) Depreciation and amortisation expenses	936	988	683	1,924	1,344	2,772
	h) Other expenses	2,208	1,999	2,242	4,207	4,081	8,463
		9,313	8,939	8,332	18,252	16,676	33,736
	Less: Recovery of cost from co-development partners (net)	(376)	(374)	(443)	(750)	(776)	(1,283)
	Total expenses	8,937	8,565	7,889	17,502	15,900	32,453
3	Profit before share of profit of Joint venture, exceptional items and tax (1-2)	1,257	1,312	2,036	2,569	4,358	8,334
4	Share of profit of Joint venture and Associate	59	41	46	100	100	163
5	Profit before tax and exceptional items (3-4)	1,316	1,353	2,082	2,669	4,458	8,497
6	Exceptional items (net) [refer note 4 below]	-	-	-	-	-	-
7	Profit before tax (5-6)	1,316	1,353	2,082	2,669	4,458	8,497
8	Tax expense	425	376	417	801	969	1,616
9	Profit for the period / year before non-controlling interest (7-8)	891	977	1,665	1,868	3,489	6,881
10	Non-controlling interest	(203)	(164)	(198)	(367)	(356)	(760)
11	Profit for the period (9-10)	688	813	1,467	1,501	3,133	6,121
12	Other comprehensive income						
	A (i) Items that will not be reclassified to profit or loss	(14)	(14)	(7)	(28)	(12)	(57)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1	1	2	2	3	15
	B (i) Items that will be reclassified to profit or loss	62	60	448	122	306	1,293
	(ii) Income tax relating to items that will be reclassified to profit or loss	12	(12)	(47)	-	(62)	(263)
	Total other comprehensive income, net of tax	61	35	396	96	235	988
13	Non-controlling interest	1	(16)	(80)	(15)	(57)	(224)
14	Other comprehensive income attributable to Shareholders (12+13)	62	19	316	81	178	764
	Total comprehensive income attributable to:						
	Shareholders of the Company	750	832	1,783	1,582	3,311	6,885
	Non-controlling interest	202	180	278	382	413	984
	Total comprehensive income	952	1,012	2,061	1,964	3,724	7,869
15	Paid-up equity share capital (Face value of Rs. 5 each)	3,000	3,000	1,000	3,000	1,000	1,000
16	Reserves i.e. Other equity						47,377
17	Earnings per share (of Rs. 5 each) (refer note 6 below)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic	1.17	1.38	2.49	2.55	5.32	10.39
	(b) Diluted	1.16	1.37	2.47	2.53	5.29	10.32
	See accompanying notes to the financial results						



BIOCON LIMITED
Consolidated Balance Sheet

	(Rs. in Million)	
	As at	As at
	September 30, 2017	March 31, 2017
	(Unaudited)	(Audited)
A ASSETS		
1 Non-current assets		
(a) Property, plant and equipment	36,027	35,529
(b) Capital work-in-progress	5,736	5,327
(c) Investment property	6	8
(d) Goodwill	264	264
(e) Other intangible assets	407	458
(f) Intangible assets under development	3,852	3,065
(g) Investments in associates and a joint venture	522	422
(h) Financial assets		
Investments	-	1,458
Derivative assets	1,220	1,092
Other financial assets	239	197
(i) Income tax asset, net	1,013	895
(j) Deferred tax asset, net	1,987	1,975
(k) Other non-current assets	3,127	2,775
Non-current assets	54,400	53,465
2 Current assets		
(a) Inventories	7,161	6,353
(b) Financial assets		
Investments	12,953	10,650
Trade receivables	9,451	8,832
Cash and cash equivalents	4,849	7,102
Other bank balances	2,004	3,341
Derivative assets	816	1,059
Other financial assets	1,299	1,551
(c) Other current assets	1,817	1,589
Current assets	40,350	40,477
TOTAL - ASSETS	94,750	93,942
B EQUITY AND LIABILITIES		
1 Equity		
(a) Share capital	3,000	1,000
(b) Other equity	46,393	47,377
Equity attributable to equity holders of the Company	49,393	48,377
Non-controlling interest	4,116	3,761
Total Equity	53,509	52,138
2 Non-current liabilities		
(a) Financial liabilities		
Borrowings	20,551	21,082
Derivative liability	70	61
Other financial liabilities	1	2
(b) Provisions	391	360
(c) Other non-current liabilities	3,384	3,516
Non-current liabilities	24,397	25,021
3 Current liabilities		
(a) Financial liabilities		
Borrowings	2,116	972
Trade payables	8,227	7,397
Derivative liability	68	63
Other financial liabilities	2,967	3,261
(b) Short-term provision	528	468
(c) Income tax liability, net	958	964
(d) Other current liabilities	1,980	3,658
Current liabilities	16,844	16,783
TOTAL - EQUITY AND LIABILITIES	94,750	93,942



BIOCON LIMITED

CIN: L24234KA1978PLC003417 Website: www.biocon.com

Registered office : 20TH KM HOSUR ROAD, ELECTRONIC CITY P.O., BANGALORE - 560 100

SEGMENT DETAILS OF UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2017

(Rs. in Million)

Particulars	3 months ended 30.09.2017	3 months ended 30.06.2017	3 months ended 30.09.2016	6 months ended 30.09.2017	6 months ended 30.09.2016	Previous Year ended 31.03.2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment revenue						
a. Small molecules	3,505	3,629	4,034	7,134	8,388	16,405
b. Biologics	1,557	1,839	1,555	3,396	3,161	7,018
c. Branded formulations	1,759	1,304	1,366	3,063	2,946	5,489
d. Research services	3,352	2,911	3,030	6,263	5,775	11,925
Total	10,173	9,683	9,985	19,856	20,270	40,837
Less: Inter-segment revenue	(487)	(346)	(444)	(833)	(809)	(1,621)
Net sales / Income from continuing operations	9,686	9,337	9,541	19,023	19,461	39,216
Segment results						
Profit before interest and tax from each segment						
a. Small molecules	467	704	949	1,171	2,106	4,142
b. Biologics	(205)	(60)	253	-265	715	1,397
c. Branded formulations #	186	40	101	226	312	463
d. Research services	944	760	914	1,704	1,643	3,465
Total	1,392	1,444	2,217	2,836	4,776	9,467
Less: Interest	86	110	38	196	44	86
Other un-allocable expenditure / (income), net	(10)	(19)	97	(29)	274	884
Profit before tax and before exceptional items #	1,316	1,353	2,082	2,669	4,458	8,497
Segment assets						
a. Small molecules	17,062	16,998	14,845	17,062	14,845	16,116
b. Biologics	33,217	32,191	30,674	33,217	30,674	34,111
c. Branded formulations	2,931	2,500	2,401	2,931	2,401	2,386
d. Research services	27,710	27,680	25,290	27,710	25,290	27,738
Total	80,920	79,369	73,210	80,920	73,210	80,351
e. Unallocable	13,830	15,713	15,518	13,830	15,518	13,591
Total segment assets	94,750	95,082	88,728	94,750	88,728	93,942
Segment liabilities						
a. Small molecules	4,153	4,269	2,993	4,153	2,993	3,548
b. Biologics	6,560	6,813	6,351	6,560	6,351	8,251
c. Branded formulations	2,085	1,712	1,334	2,085	1,334	1,650
d. Research services	12,285	12,823	13,408	12,285	13,408	13,607
Total	25,083	25,617	24,086	25,083	24,086	27,056
e. Unallocable	16,158	16,310	17,158	16,158	17,158	14,748
Total segment liabilities	41,241	41,927	41,244	41,241	41,244	41,804
Capital employed						
a. Small molecules	12,909	12,729	11,852	12,909	11,852	12,568
b. Biologics	26,657	25,378	24,323	26,657	24,323	25,860
c. Branded formulations	846	788	1,067	846	1,067	736
d. Research services	15,425	14,857	11,882	15,425	11,882	14,131
Total	55,837	53,752	49,124	55,837	49,124	53,295
e. Unallocable	(2,328)	(597)	(1,640)	(2,328)	(1,640)	(1,157)
Total capital employed	53,509	53,155	47,484	53,509	47,484	52,138
# includes share of profit of Joint venture						



Biocon Limited
Unaudited financial results for the quarter and half year ended September 30, 2017

Notes:

1. The unaudited standalone and consolidated financial results for the quarter and six months ended September 30, 2017 in respect of Biocon Limited ('the Company') have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on October 26, 2017. The above results have been subjected to limited review by the statutory auditors of the Company. The reports of the statutory auditors are unqualified.
2. These financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated July 5, 2016.
3. The consolidated financial results include the financial results of the parent company Biocon Limited and the financial results of the following subsidiaries:
 - Syngene International Limited ('Syngene')
 - Biocon Research Limited
 - Biocon Pharma Limited
 - Biocon Academy
 - Biocon SA
 - Biocon SDN. BHD
 - Biocon FZ LLC
 - Biocon Biologics Limited
 - Biocon Pharma Inc.
 - Biocon Biologics India Limited
 - Biocon Healthcare SDN. BHD

In addition to the above, the consolidated financial results also include the financial results in respect of Biocon India Limited Employee Welfare Trust and Syngene Employees Welfare Trust. The Company has also accounted for its share of interest in the joint venture i.e. NeoBiocon FZ-LLC and share of investment in the associate i.e. Iatrica Inc., if any under the equity method. Biocon Limited, its subsidiaries, associate and a joint venture are collectively referred to as 'the Group'.

4. The exceptional item comprise the following:

Pursuant to a fire incident on December 12, 2016 at Syngene, certain property, plant and equipment, inventory and other contents in one of the buildings was damaged. Syngene lodged an initial estimate of loss with the insurance company and the survey is currently ongoing. During the quarter and half year ended September 30, 2017, Syngene has additionally written off net book value of assets aggregating to Rs 47 million (year ended March 31, 2017- Rs 795 million) and recognised a minimum amount of insurance claim receivable for an equivalent amount. This has been presented under exceptional items.

In addition, the Group is in the process of determining its claim for Business Interruption and has accordingly not recorded any claim arising therefrom at this stage.



Biocon Limited
Unaudited financial results for the quarter and half year ended September 30, 2017

5. Segment Reporting in Consolidated financial results: Based on the "management approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Marker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segments.
6. The Company has allotted 400,000,000 equity shares of Rs. 5/- each fully paid up as bonus shares on June 19, 2017 in the ratio of 2:1 (Two equity shares of Rs. 5/- each for every one equity share of Rs. 5/- each held in the Company as on the record date i.e., June 17, 2017) by capitalisation of securities premium account. In accordance with Ind AS 33, Earnings per share, the earnings per share data has been adjusted to give effect to the bonus issue for all periods presented.
7. Prior period/ year figures have been reclassified wherever required to conform to the classification of the current period/ year.

For and on behalf of the Board of Directors of Biocon Limited



A handwritten signature in blue ink, appearing to read "Kiran Mazumdar Shaw".



Bangalore,
October 26, 2017

Kiran Mazumdar Shaw
Chairman and Managing Director