

# 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  
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## 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 nine months ended 31 December 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: 24 January 2018

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Bangalore 560 071 India

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## 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 nine months ended 31 December 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.

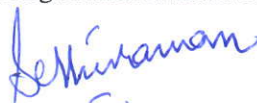
We did not review the unaudited financial information of a subsidiary and a joint venture both incorporated outside India included in the consolidated financial results of the Group. This subsidiary accounts for Rs 124 million and Rs 575 million of net loss and Rs 774 million and Rs 1,902 million of revenues (including other income) for the quarter and nine months ended 31 December 2017 and Rs 23,519 million of total assets as at 31 December 2017. The financial results also includes Group's share of net profit of Rs 62 million and Rs 162 million for the quarter and nine months ended 31 December 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: 24 January 2018

## 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 NINE MONTHS ENDED DECEMBER 31, 2017

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

Sl. No.	Particulars	3 months ended	3 months ended	3 months ended	9 months ended	9 months ended	Previous Year ended 31.03.2017 (Audited)
		31.12.2017 (Unaudited)	30.09.2017 (Unaudited)	31.12.2016 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)	
1	<b>Income</b>						
	Revenue from operations	5,921	6,047	6,550	17,774	19,863	26,184
	Other income	374	457	332	939	881	988
	<b>Total income</b>	<b>6,295</b>	<b>6,504</b>	<b>6,882</b>	<b>18,713</b>	<b>20,744</b>	<b>27,172</b>
2	<b>Expenses</b>						
	a) Cost of raw materials and packing materials consumed	2,535	1,922	2,676	6,952	7,327	9,915
	b) Purchases of traded goods	212	240	215	623	718	902
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(233)	556	(362)	95	(111)	(465)
	d) Excise duty	-	-	68	63	247	305
	e) Employee benefits expense	1,043	964	953	2,968	2,746	3,650
	f) Finance costs	1	2	8	12	29	38
	g) Depreciation and amortisation expenses	332	334	382	1,038	1,125	1,506
	h) Other expenses	1,839	1,645	1,470	4,813	4,293	5,963
		<b>5,729</b>	<b>5,663</b>	<b>5,410</b>	<b>16,564</b>	<b>16,374</b>	<b>21,814</b>
	Less: Recovery of cost from co-development partners (net)	(34)	(9)	-	(43)	(1)	(4)
	<b>Total expenses</b>	<b>5,695</b>	<b>5,654</b>	<b>5,410</b>	<b>16,521</b>	<b>16,373</b>	<b>21,810</b>
3	<b>Profit before tax and exceptional item</b>	<b>600</b>	<b>850</b>	<b>1,472</b>	<b>2,192</b>	<b>4,371</b>	<b>5,362</b>
4	Exceptional items	-	-	-	-	-	-
5	<b>Profit before tax (3 + 4)</b>	<b>600</b>	<b>850</b>	<b>1,472</b>	<b>2,192</b>	<b>4,371</b>	<b>5,362</b>
6	Tax expense	163	166	431	526	1,216	169
7	<b>Profit for the period/year (5 - 6)</b>	<b>437</b>	<b>684</b>	<b>1,041</b>	<b>1,666</b>	<b>3,155</b>	<b>5,193</b>
8	<b>Other comprehensive income</b>						
	A (i) Items that will not be reclassified to profit or loss	(6)	(7)	(5)	(20)	(15)	(27)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	1	-	5	9
	B (i) Items that will be reclassified to profit or loss	26	(44)	34	(29)	86	149
	(ii) Income tax relating to items that will be reclassified to profit or loss	(9)	15	(10)	10	(25)	(47)
	<b>Other comprehensive income, net of taxes</b>	<b>11</b>	<b>(36)</b>	<b>20</b>	<b>(39)</b>	<b>51</b>	<b>84</b>
9	<b>Total comprehensive income for the period (7+8)</b>	<b>448</b>	<b>648</b>	<b>1,061</b>	<b>1,627</b>	<b>3,206</b>	<b>5,277</b>
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	<b>Earnings per share (of Rs. 5 each) (refer note 6 below)</b>	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic	0.74	1.16	1.77	2.83	5.36	8.82
	(b) Diluted	0.74	1.15	1.75	2.81	5.33	8.76
	See accompanying notes to the financial results						



BIOCON LIMITED

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

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

Sl. No.	Particulars	3 months ended	3 months ended	3 months ended	9 months ended	9 months ended	Previous Year ended 31.03.2017
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	Revenue from operations						
	Other income	10,579	9,686	10,444	29,602	29,905	39,216
	<b>Total income</b>	<b>339</b>	<b>508</b>	<b>474</b>	<b>1,387</b>	<b>1,267</b>	<b>1,571</b>
		<b>10,918</b>	<b>10,194</b>	<b>10,918</b>	<b>30,989</b>	<b>31,172</b>	<b>40,787</b>
2	<b>Expenses</b>						
	a) Cost of raw materials and packing materials consumed	3,587	3,077	3,808	10,211	9,819	13,224
	b) Purchases of traded goods	697	718	481	1,919	1,626	1,932
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(46)	(19)	(610)	(521)	(405)	(690)
	d) Excise duty	-	-	68	63	247	305
	e) Employee benefits expense	2,353	2,255	1,942	6,741	5,531	7,470
	f) Finance costs	147	138	88	446	210	260
	g) Depreciation and amortisation expenses	974	936	703	2,898	2,047	2,772
	h) Other expenses	2,415	2,208	2,373	6,622	6,450	8,463
		<b>10,127</b>	<b>9,313</b>	<b>8,853</b>	<b>28,379</b>	<b>25,525</b>	<b>33,736</b>
	Less: Recovery of cost from co-development partners (net)	(644)	(376)	(379)	(1,394)	(1,155)	(1,283)
	<b>Total expenses</b>	<b>9,483</b>	<b>8,937</b>	<b>8,474</b>	<b>26,985</b>	<b>24,370</b>	<b>32,453</b>
3	<b>Profit before share of profit of Joint venture, exceptional items and tax (1-2)</b>	<b>1,435</b>	<b>1,257</b>	<b>2,444</b>	<b>4,004</b>	<b>6,802</b>	<b>8,334</b>
4	Share of profit of Joint venture and Associate	62	59	8	162	108	163
5	<b>Profit before tax and exceptional items (3-4)</b>	<b>1,497</b>	<b>1,316</b>	<b>2,452</b>	<b>4,166</b>	<b>6,910</b>	<b>8,497</b>
6	Exceptional items (net) [refer note 4 below]	-	-	-	-	-	-
7	<b>Profit before tax (5-6)</b>	<b>1,497</b>	<b>1,316</b>	<b>2,452</b>	<b>4,166</b>	<b>6,910</b>	<b>8,497</b>
8	Tax expense	361	425	544	1,162	1,513	1,616
9	<b>Profit for the period / year before non-controlling interest (7-8)</b>	<b>1,136</b>	<b>891</b>	<b>1,908</b>	<b>3,004</b>	<b>5,397</b>	<b>6,881</b>
10	Non-controlling interest	(217)	(203)	(195)	(584)	(551)	(760)
11	<b>Profit for the period (9-10)</b>	<b>919</b>	<b>688</b>	<b>1,713</b>	<b>2,420</b>	<b>4,846</b>	<b>6,121</b>
12	<b>Other comprehensive income</b>						
	A (i) Items that will not be reclassified to profit or loss	(14)	(14)	(6)	(42)	(18)	(57)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1	1	2	3	5	15
	B (i) Items that will be reclassified to profit or loss	427	62	286	549	592	1,293
	(ii) Income tax relating to items that will be reclassified to profit or loss	(114)	12	(36)	(114)	(98)	(263)
	<b>Total other comprehensive income, net of tax</b>	<b>300</b>	<b>61</b>	<b>246</b>	<b>396</b>	<b>481</b>	<b>988</b>
13	Non-controlling interest	(103)	1	(44)	(118)	(101)	(224)
14	<b>Other comprehensive income attributable to Shareholders (12+13)</b>	<b>197</b>	<b>62</b>	<b>202</b>	<b>278</b>	<b>380</b>	<b>764</b>
	<b>Total comprehensive income attributable to:</b>						
	Shareholders of the Company	1,116	750	1,915	2,698	5,226	6,885
	Non-controlling interest	320	202	239	702	652	984
	<b>Total comprehensive income</b>	<b>1,436</b>	<b>952</b>	<b>2,154</b>	<b>3,400</b>	<b>5,878</b>	<b>7,869</b>
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	<b>Earnings per share (of Rs. 5 each) (refer note 6 below)</b>						
	(a) Basic	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(b) Diluted	1.56	1.17	2.91	4.10	8.23	10.39
		1.55	1.16	2.88	4.08	8.18	10.32
	See accompanying notes to the financial results						



## BIOCON LIMITED

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## SEGMENT DETAILS OF UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

(Rs. in Million)

Particulars	3 months ended 31.12.2017	3 months ended 30.09.2017	3 months ended 31.12.2016	9 months ended 31.12.2017	9 months ended 31.12.2016	Previous Year ended 31.03.2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment revenue						
a. Small molecules	3,688	3,505	4,069	10,822	12,457	16,405
b. Biologics	1,898	1,557	2,224	5,294	5,385	7,018
c. Branded formulations	1,561	1,759	1,233	4,624	4,179	5,489
d. Research services	3,877	3,352	3,322	10,140	9,097	11,925
Total	11,024	10,173	10,848	30,880	31,118	40,837
Less: Inter-segment revenue	(445)	(487)	(404)	(1,278)	(1,213)	(1,621)
<b>Net sales / Income from continuing operations</b>	<b>10,579</b>	<b>9,686</b>	<b>10,444</b>	<b>29,602</b>	<b>29,905</b>	<b>39,216</b>
Segment results						
Profit before interest and tax from each segment						
a. Small molecules	820	467	970	1,991	3,076	4,142
b. Biologics	(48)	(205)	623	(313)	1,338	1,397
c. Branded formulations #	79	186	52	305	364	463
d. Research services	977	944	920	2,681	2,563	3,465
Total	1,828	1,392	2,565	4,664	7,341	9,467
Less: Interest	94	86	20	290	64	86
Other un-allocable expenditure / (income), net	237	(10)	93	208	367	884
<b>Profit before tax and before exceptional items #</b>	<b>1,497</b>	<b>1,316</b>	<b>2,452</b>	<b>4,166</b>	<b>6,910</b>	<b>8,497</b>
Segment assets						
a. Small molecules	17,759	17,062	15,161	17,759	15,161	16,116
b. Biologics	34,434	33,217	32,285	34,434	32,285	34,111
c. Branded formulations	3,039	2,931	2,145	3,039	2,145	2,386
d. Research services	28,588	27,710	25,240	28,588	25,240	27,738
	83,820	80,920	74,831	83,820	74,831	80,351
e. Unallocable	12,447	13,830	17,323	12,447	17,323	13,591
<b>Total segment assets</b>	<b>96,267</b>	<b>94,750</b>	<b>92,154</b>	<b>96,267</b>	<b>92,154</b>	<b>93,942</b>
Segment liabilities						
a. Small molecules	4,722	4,153	3,735	4,722	3,735	3,548
b. Biologics	7,037	6,560	6,994	7,037	6,994	8,251
c. Branded formulations	2,135	2,085	1,513	2,135	1,513	1,650
d. Research services	11,899	12,285	12,386	11,899	12,386	13,607
	25,793	25,083	24,628	25,793	24,628	27,056
e. Unallocable	15,325	16,158	17,722	15,325	17,722	14,748
<b>Total segment liabilities</b>	<b>41,118</b>	<b>41,241</b>	<b>42,350</b>	<b>41,118</b>	<b>42,350</b>	<b>41,804</b>
Capital employed						
a. Small molecules	13,037	12,909	11,426	13,037	11,426	12,568
b. Biologics	27,397	26,657	25,291	27,397	25,291	25,860
c. Branded formulations	904	846	632	904	632	736
d. Research services	16,689	15,425	12,854	16,689	12,854	14,131
	58,027	55,837	50,203	58,027	50,203	53,295
e. Unallocable	(2,878)	(2,328)	(399)	(2,878)	(399)	(1,157)
<b>Total capital employed</b>	<b>55,149</b>	<b>53,509</b>	<b>49,804</b>	<b>55,149</b>	<b>49,804</b>	<b>52,138</b>
# includes share of profit of Joint venture						



**Biocon Limited**  
**Unaudited financial results for the quarter and nine months ended December 31, 2017**

**Notes:**

1. The unaudited standalone and consolidated financial results for the quarter and nine months ended December 31, 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 January 24, 2018. 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
  - Syngene USA Inc.

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. Pursuant to a fire incident on December 12, 2016 at Syngene, certain fixed assets, inventory and other contents in one of the buildings were damaged. Syngene lodged an estimate of loss with the insurance company and the survey is currently ongoing. Syngene recorded a loss of Rs. 795 million arising from such incident during the year ended March 31, 2017. During the quarter and nine months ended December 31, 2017, Syngene has additionally written off net book value of assets aggregating to Rs. Nil and Rs. 47 million respectively. Syngene also recognized a minimum insurance claim receivable for equivalent amounts in the respective periods. The aforementioned loss and the corresponding credit arising from insurance claim receivable has been presented on a net basis (Rs. Nil) under Exceptional items in these financial results.

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 nine months ended December 31, 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 Maker 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



Bangalore,  
January 24, 2018

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

Kiran Mazumdar Shaw  
Chairman and Managing Director

