CIN: L24234KA1978PLC003417



AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

(Rs in Million, except per equity share data)

Statement of Standalone Audited Financial Results for the quarter and year ended March 31, 2017

Statement of Consolidated Audited Financial Results for the quarter and year ended March 31, 2017

Segment details of Consolidated Audited Results for the quarter and year ended March 31, 2017

(Rs in Million, except per equity share data)

SI. No.	Particulars	3 months ended 31.03.2017	3 months ended 31.12.2016	3 months ended 31.03.2016	Year ended 31.03.2017	Previous Yea ended 31.03.2016	
1)0000		(Audited) (Refer note 7)	(Unaudited)	(Audited) (Refer note 7)	(Audited)	(Audited)	
1	Revenue from operations	6,321	6,550	6,459	26,184	23,354	
2	Other Income	143	332	761	988	1,731	
	Total income	6,464	6,882	7,220	27,172	25,085	
3	Expenses				~		
	a) Cost of raw materials and packing materials consumed	2,588	2,676	2,279	9,915	9,479	
	b) Purchases of traded goods	184	215	230	902	760	
	 c) Changes in inventories of finished goods, work-in-progress and stock-in-trade 	(354)	(362)	151	(465)	(364)	
	d) Excise duty	58	68	117	305	336	
	e) Employee benefits expense	904	953	806	3,650	3,219	
	f) Finance Costs	9	8	15	38	19	
	g) Depreciation and amortisation expenses	381	382	356	1,506	1,397	
	h) Other expenses	1,706	1,470	1,833	5,963	5,754	
		5,476	5,410	5,787	21,814	20,600	
	Less: Recovery of product development costs from co-development partners (net)	(3)	-	(28)	(4)	(48)	
	Total expenses	5,473	5,410	5,759	21,810	20,552	
	Profit before tax and exceptional item	991	1,472	1,461	5,362	4,533	
	Exceptional items [refer note 4(c) and 4(d) below]	-	-	99	-	1,061	
;	Profit before tax (4 + 5)	991	1,472	1,560	5,362	5,594	
	Tax expense						
	Current tax Less: MAT credit entitlement	202 (1,172)	431	375	1,269 (1,172)	2,175	
	Deferred tax	(77)		(103)	72	(267)	
	Profit for the year (6-7)	2,038	1,041	1,288	5,193	3,686	
).	Other comprehensive income						
	Items that will not be reclassified subsequently to profit or loss Re-measurement on defined benefit plans	(12)	(5)	(4)	(27)	(16)	
	Income tax effect	4	1	2	9	(10)	
	(II) Items that will be reclassified subsequently to profit or loss	,	·		3		
	Effective portion of gains/(losses) on hedging instrument in cash flow hedges	63	34		149		
	Income tax effect	(22)	(10)	-	(47)		
١	Other comprehensive income, net of taxes	33	20	(2)	84	(10)	
0	Total comprehensive income for the period (8+9)	2,071	1,061	1,286	5,277	3,676	
1	Paid-up equity share capital (Face value of Rs. 5 each)	1,000	1,000	1,000	1,000	1,000	
12	Reserves i.e. Other equity			0.0	64,411	58,966	
13	Earnings per share (of Rs. 5 each)	(not annualised)	(not annualised)	(not annualised)	(annualised)	(annualised	
	(a) Basic	10.37	5.30	6.56	26.45	18.78	
	(b) Diluted See accompanying notes to financial results	10.28	5.26	6.56	26.27	18.76	

ita)			0	0		ı, except per equ	
ar 6	SI.	Particulars	3 months ended 31.03.2017	3 months ended 31.12.2016	3 months ended 31.03.2016	Year ended 31.03.2017	Previous Year ended 31.03.2016
)	No.		(Audited) (Refer note 7)	(Unaudited)	(Audited) (Refer note 7)	(Audited)	(Audited)
	1	Income			Sections	1000 00000	190000000
4	ΙI	Revenue from operations	9,311	10,444	9,567	39,216	33,810
1	ll	Other income	432	474	160	1,571	792
5	2	Total income	9,743	10,918	9,727	40,787	34,602
	2	Expenses	2 405	2 000	0.070	10.004	10.510
۰ ا	ll	a) Cost of materials consumed b) Purchases of stock-in-trade	3,405 306	3,808 481	3,078	13,224 1,932	12,549 760
9	ll	b) Purchases of stock-in-trade c) Changes in inventories of finished goods,	300	401	(15)	1,932	700
0	ll	work-in-progress and stock-in-trade	(285)	(610)	480	(690)	(405)
	ll	d) Excise duty on sales	58	68	118	305	336
1)	ll	e) Employee benefits expense	1,939	1,942	1,665	7,470	6,101
6	ll	f) Finance costs	50	88	205	260	293
9	ll	g) Depreciation and amortisation expenses	725	703	648	2.772	2,487
9	ll	h) Other expenses	2,141	2,373	2,512	8,463	8,111
- 1	ll	7	8,339	8,853	8,691	33,736	30,232
7	ll	Less: Recovery of product development costs from					
4	ll	co-development partners (net)	(128)	(379)	(317)	(1,283)	(1,320)
0	ll	Total expenses	8,211	8,474	8,374	32,453	28,912
- 1	3	Profit before share of profit of Joint venture,					
3)		exceptional items and tax (1-2)	1,532	2,444	1,353	8,334	5,690
2	4	Share of profit of Joint venture	55	8	53	163	217
3	5	Profit before tax and exceptional items (3-4)	1,587	2,452	1,406	8,497	5,907
1	6	Exceptional items (net) [refer note 4(a) and 4(b) below]		-	2,684	-	1,606
~ 1	7	Profit before tax (5-6)	1,587	2,452	4,090	8,497	7,513
4	8	Tax expense:					
- 1	ll	Current tax	516	621	660	2,082	1,813
5	ll	Less: MAT credit entitlement	(369)	-	(166)	(369)	(166)
-	ll	Deferred tax	(44)	(77)	52	(97)	(225)
7)	9	Net profit for the period / year (7-8)	1,484	1,908	3,544	6,881	6,091
6	10	Non-controlling interest	(209)	(195)	(214)	(760)	(587)
	11	Profit for the period (9-10)	1,275	1,713	3,330	6,121	5,504
- 1	12	Other comprehensive income					
- 1	ll	(i) Items that will not be reclassified to profit or loss					
5)	ll	Re-measurement on defined benefit plans	(39)	(6)	(9)	(57)	(39)
6	ll	Income tax effect	10	2	2	15	9
0	ll	(ii) Items that may be reclassified to profit or loss		oue.			
- 1	ll	Effective portion on hedging instrument in cash flow hedges	701	286	70	1,293	(21)
- 1	ll	Income tax effect	(165)	(36)	(14)	(263)	(5)
- 1		Other comprehensive income, net of tax	507	246	49	988	(56)
-	13	Non-controlling interest	(123)	(44)	(10)	(224)	(2)
-	14	Other comprehensive income attributable to		000		704	(50)
))	l ł	Shareholders (12+13)	384	202	39	764	(58)
6		Total comprehensive income attributable to: Shareholders of the Company	1,659	1,915	3,369	6.885	5.446
0	Ιl	Non-controlling interest	332	239	224	984	589
6		Total comprehensive income	1,991	2,154	3,593	7.869	6.035
· 1	15	Paid-up equity share capital (Face value of Rs. 5 each)	1,000	1,000	1,000	1,000	1,000
d)	16	Reserves i.e. Other equity	1,500	1,500	1,500	47,377	39,338
8	17	Earnings per share (of Rs. 5 each)	(not annualised)	(not annualised)	(not annualised)	(annualised)	(annualised)
6	1.6	(a) Basic	6.49	8.72	16.97	31.18	28.04
		(b) Diluted	6.43	8.65	16.95	30.97	28.01
_		See accompanying notes to financial results	0.40	0.00	10.00	00.07	20.01
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	Particulars	3 months ended 31.03.2017	3 months ended 31.12.2016	3 months ended 31.03.2016	Year ended 31.03.2017	Previous Year ended 31.03.2016
		(Audited) (Refer note 7)	(Unaudited)	(Audited) (Refer note 7)	(Audited)	(Audited)
Seg	ment revenue					
a.	Small Molecules	3,948	4,069	4,055	16,405	14,583
b.	Biologics	1,633	2,224	1,532	7,018	5,296
C.	Branded formulations	1,310	1,233	1,049	5,489	4,409
d.	Research services	2,828	3,322	3,315	11,925	11,070
Tota	al	9,719	10,848	9,951	40,837	35,358
Les	s: Inter-segment revenue	(408)	(404)	(384)	(1,621)	(1,548)
Net	sales / Income from continuing operations	9,311	10,444	9,567	39,216	33,810
Seg	ment results					
Pro	fit before interest and tax from each segment					
a.	Small Molecules	1,066	970	465	4,142	2,506
b.	Biologics	59	623	314	1,397	764
C.	Branded formulations #	99	52	177	463	804
d.	Research services	902	920	932	3,465	2,810
Tota	al	2,126	2,565	1,888	9,467	6,884
Les	s: Interest	22	20	156	86	171
Oth	er un-allocable expenditure / (income), net	517	93	326	884	806
Pro	fit before tax and before exceptional items #	1,587	2,452	1,406	8,497	5,907
Seg	ment Assets					
a.	Small Molecules	16,116	15,161	14,831	16,116	14,831
b.	Biologics	34,111	32,285	28,758	34,111	28,758
C.	Branded formulations	2,386	2,145	1,698	2,386	1,698
d.	Research services	27,738	25,240	23,555	27,738	23,555
		80,351	74,831	68,842	80,351	68,842
e.	Unallocable	13,591	17,323	15,739	13,591	15,739
Tota	al segment assets	93,942	92,154	84,581	93,942	84,581
Seg	ment Liabilities					
a.	Small Molecules	3,548	3,735	2,906	3,548	2,906
b.	Biologics	8,251	6,994	5,527	8,251	5,527
C.	Branded formulations	1,650	1,513	601	1,650	601
d.	Research services	13,607	12,386	13,308	13,607	13,308
		27,056	24,628	22,342	27,056	22,342
e.	Unallocable	14,748	17,722	19,243	14,748	19,243
Tota	al segment liabilities	41,804	42,350	41,585	41,804	41,585
Cap	oital employed					
a.	Small Molecules	12,568	11,426	11,925	12,568	11,925
b.	Biologics	25,860	25,291	23,231	25,860	23,231
C.	Branded formulations	736	632	1,097	736	1,097
d.	Research services	14,131	12,854	10,247	14,131	10,247
		53,295	50,203	46,500	53,295	46,500
e.	Unallocable	(1,157)	(399)	(3,504)	(1,157)	(3,504)
T-4.	al capital employed	52,138	49,804	42,996	52,138	42,996
1015	ncludes share of profit of Joint venture					

Standlone Statement of Assets and Liabilities

Consolidated Statement of Assets and Liabilities

				(Rs in Million)					(Rs in Million)
			As at	As at				As at	As at
			March 31, 2017 (Audited)	March 31, 2016 (Audited)				March 31, 2017 (Audited)	March 31, 2016 (Audited)
Α	ASS	SETS				ASS			
1	Nor	-current assets			1		-current assets		
				20.00000		(a)	Property, plant and equipment	35,529	16,811
	(a)	Property, plant and equipment	8,649	8,596		(b)	Capital work-in-progress	5,327	20,597
		Capital work-in-progress	2,408	1,723		(c)	Investment property	8 264	9 264
		Investment property	439	439		(d)	Goodwill Other intangible assets	458	408
		Intangible assets	292	342		(e) (f)	Intangible assets under develo		1,798
	(e)	Financial assets	20.005	00.100		(p)	Investments in associates and		1,790
		Investments	33,635	32,106		(9)	joint venture	422	259
		Loans	1,923	1,584		(h)	Financial assets		200
	m	Other financial assets	243	670		329	Investments	1,458	-
	(f)	Income tax asset, net	414	428			Derivative assets	1,092	614
	(g)	Deferred tax asset, net	1,054				Other financial assets	197	258
	(h)	Other non-current assets	1,847	1,382		(l)	Income tax asset, net	895	852
Tot	al n	on-current assets	50,904	47,270		(i)	Deferred tax asset, net	1,975	715
	٥					(k)	Other non-current assets	2,775	2,287
2	Gur	rent assets			No		rrent assets	53,465	44,872
	(a)	Inventories	5,396	5,046			rent assets		
	(b)	Financial assets				(a)	Inventories	6,353	5,424
		Investments	5,247	5,983			Financial assets		880000
		Trade receivables	7,982	5,038		100	Investments	10,650	8,747
		Cash and cash equivalents	3,416	2,903			Trade receivables	8,832	7,145
		Other bank balances	413	3,527			Cash and cash equivalents	7,102	7,613
		Other financial assets	983	990			Other bank balances	3,341	7,773
	(c)	Other current assets	348	224			Derivative assets	1,059	511
Tot	al c	urrent assets	23,785	23,711			Other financial assets	1,551	1,844
Τn	ΤΔΙ	- ASSETS	74,689	70,981			Other current assets	1,589	652
				-10,001			t assets	40,477	39,709
В	EQU	JITY AND LIABILITIES					- ASSETS IITY AND LIABILITIES	93,942	84,581
1	Equ	ity			1	Equ			
	(a)	Share capital	1.000	1.000		(a)	Share capital	1,000	1,000
		Other equity	64,411	58,966		(b)	Other equity	47,377	39,338
				50000000000			Equity attributable to equity		
Tot	al E	quity	65,411	59,966			holders of the Company	48,377	40,338
2	Nor	-current liabilities					Non-controlling interest	3,761	2,658
	(a)	Classical Sale State			To	tal E	quity	52,138	42,996
	(a)	Financial liabilities Borrowings	1.324	1,365	2		-current liabilities		
		Other financial liabilities	1,324	7		(a)	Financial liabilities		
	(b)	Provisions	133	95			Borrowings	21,082	20,724
	(c)	Deferred tax liability, net	133	9 9			Derivative liability	61	191
	(d)	Other non-current liabilities	767	913			Other financial liabilities	2	3
	3.00		- 100.000	73.000			Provisions	360	299
Tot	al n	on-current liabilities	2,226	2,389	l.,		Other non-current liabilities	3.516	3,711 24,928
3	Cur	rent liabilities					rrent liabilities rent liabilities	25,021	_24,928
	(a)	Financial liabilities					Financial liabilities		
		Borrowings		2.255		100	Borrowings	972	3,949
		Trade payables	4,505	3,944	1		Trade payables	7,397	6,098
		Other financial liabilities	663	910	1		Derivative liability	63	143
	(b)	Provisions	320	285	1		Other financial liabilities	3,261	1,964
	(c)	Income tax liability, net	777	729		(b)	Short-term provision	468	374
	(d)	Other current liabilities	787	503	1	(c)	Income tax liability, net	964	965
Tot		urrent liabilities	7.052	8,626			Other current liabilities	3,658	3,164
							t liabilities - EQUITY AND LIABILITIES	16,783	16,657
10	IAL	- EQUITY AND LIABILITIES	74,689	70,981	L	IAL	- EQUIT AND LIABILITES	93,942	84,581

The standalone and consolidated financial results for the quarter and year ended 31 March 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 27 April 2017. The above results have been audited by the statutory auditors of the Company. The reports of the statutory auditors are unqualified.

addition of the statutory additions of the company. The reports of the statutory additions are implainted. 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 5 July 2016.

The Company has prepared a reconciliation of the net profit for the corresponding periods under the previously applicable Generally Accepted Accounting Principles (*Previous GAAP*) with the total comprehensive income as reported in these financial results under Ind AS. The net profit reconciliations for the quarter and year ended 31 March 2016 for standalone and consolidated financial results are presented

	Stan	dalone	Consolidated		
Net profit reconciliation	3 months ended 31-03-2016	Year ended 31-03-2016	3 months ended 31-03-2016	Year ended 31-03-2016	
Net Profit attributable to shareholders of the Company as per previous GAAP	1,382	8,088	3,609	8,961	
Exceptional items (net of taxes)	(78)	(4,167)	(2,561)	(4,589)	
Net Profit attributable to shareholders of the Company before exceptional items as per previous GAAP [A]	1,304	3,921	1,048	4,372	
Ind AS adjustments					
Difference on account of revenue recognition, net of related costs	(102)	(230)	(102)	(230)	
Impact of derivative accounting and exchange gain/loss	(34)	(130)	(10)	3	
Impact of borrowing cost	-	-	(152)	(152)	
Other adjustments	(4)	(23)	(33)	(59)	
Income tax impact of above adjustments and corrections for earlier years	46	150	18	87	
Subtotal [B]	(94)	(233)	(279)	(351)	
Net Profit attributable to shareholders of the Company before exceptional items as per Ind AS [C = A + B]	1,210	3,688	769	4,021	
Exceptional items, net of tax as per previous GAAP [X]	78	4,167	2,561	4,589	
Ind AS adjustments					
Impact on Profit on sale of Syngene Shares, net of tax [Y]	-	(4,169)	(e.	(3,106)	
Total [D = X + Y]	78	(2)	2,561	1,483	
Net Profit attributable to shareholders of the Company as per Ind AS [E= C+D]	1,288	3,686	3,330	5,504	
Other comprehensive income (OCI):					
Effective portion of cash flow hedges	-		56	(26)	
Actuarial loss on defined benefit obligations – Gratuity	(2)	(10)	(7)	(30)	
Minority Interest	-	-	(10)	(2)	
Sub-total [F]	(2)	(10)	39	(58)	
Total Comprehensive income attributable to Shareholders of the Company [E + F]	1,286	3,676	3,369	5,446	

The Company has also prepared an equity reconci previous GAAP and the equity as reported in the Statement of assets and liabilities under Ind AS. The equity reconciliation as at 31 March 2016 for the standalone and consolidated financial results is as below

	Standalone	Consolidated
Equity reconciliation	As at 31 March 2016	As at 31 March 2016
Equity under previous GAAP attributable to shareholders of the Company	32,885	40,556
Difference on account of revenue recognition, net of related costs	(802)	(752)
Impact of derivative accounting, translations adjustments and exchange gain/loss	(2)	297
Impact of borrowing cost	-	(152)
Consolidation of ESOP trust	475	475
Other adjustments	24	(24)
Impact of fair valuation of investment in a subsidiary on transition date	27,519	3
Income tax impact of above adjustments and corrections for earlier years	(133)	(62)
Equity under Ind AS attributable to shareholders of the Company	59,966	40.338

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 F711 C

Biocon Biologics Limited, UK Biocon Pharma Inc.

Biocon Biologics India Limited

addition to the above, the consolidated financial results also include the financial results in respect of iocon India Limited Employee Welfare Trust and Syngene Employees Welfare Trust. The Company has Iso accounted for its share of interest in the joint venture NeoBiocon FZ-LLC under the equity method iocon Limited, its subsidiaries and a joint venture are collectively referred to as 'the Group

The exceptional items comprise the following:

a) Consequent to an agreement with a customer which resulted in changes to the nature of the Group's future obligations on the rh-insulin program, deferred revenue of Rs 2.684 relating to the program has been recognized as income in the consolidated financial results for the quarter and year ended 31

b) Pursuant to the uncertainty in respect of the ability of the Group to license a product for development and commercialization in certain territories, Biocon SA recorded an impairment of the carrying value of the intangible asset amounting to Rs 1,078.

c) The gain arising from sale of equity shares in respect of Syngene, net of related expenses and cost of equity shares amounting to Rs 962 has been accounted in the standalone financial results for the year ended 31 March 2016.

d) During the guarter and year ended 31 March 2016, the Company sold its investment in the equity shares of Biocon SDN. BHD., a wholly owned subsidiary to Biocon Biologics Limited (UK), another wholly owned subsidiary to the Company for a sum of Rs 811. Gain arising from such sale of equity shares, net of cost of such equity shares, amounting to Rs 99 is recorded in the standalone financial

e) Consequential tax charge recorded in respect of above items is Rs 123 for the quarter and year ended 31 March 2016 in the consolidated financial results. Consequential tax charge recorded in respect of above items is Rs 21 and Rs 1,063 for the quarter and year ended 31 March 2016 respectively in the standalone financial results

what clear on sale or equity shales or stylighted was not reconsistent in the previous year due to uncertainty of utilization. During the current year, pursuant to change in the Income tax law and other business restructuring, the Company believes that it will be able to utilize the MAT credit entitlement. Accordingly, during the quarter and year ended 31 March 2017, the Company has recorded MAT credit entitlement of Rs 1,042 in its standalone financial results. However, in the consolidated financial The substance in the constitution of the const

g) Pursuant to a fire incident on 12 December 2016 at Syngene, certain fixed assets, 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 year ended 31 March 2017, Syngene has written off the net book value of assets aggregating to Rs 795 million and recognised a minimum amount of insurance claim receivable for an equivalent amount.

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

h) During the guarter and year ended 31 March 2017, Biocon SA (BSA) and Biocon Soft, Bhd. (Biocon Malaysia) have entered into an Assignment and License Agreement pursuant to which Biocon SA transferred all of its rights, interests and obligations in Insulin Analogs (IPR) to Biocon SDN. BHD. Consequent to this transfer BSA recorded a net gain in its standalone books which is offered to tax under the Swiss tax laws. The above restructuring did not have any impact on consolidated financial results, except for an exceptional tax cost of Rs 78 representing the tax payable by BSA locally which has been included within income tax expense for the quarter and year ended 31 March 2017.

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

Events after reporting period

On April 27, 2017, the Board of Directors of the Company approved issue of bonus shares in the proportion of 2:1 i.e. 2 (two) bonus equity shares of Rs 5 each for every 1 (one) fully paid-up equity shares held as on the record date, subject to the approval by the shareholders of the Company through postal ballot.

On April 27, 2017, the Board of Directors of the Company has proposed a final dividend of Rs 3 per equity share on a pre-bonus share basis. The proposed dividend is subject to the approval of the shareholders in the Annual general meeting.

- The figures for quarters ended 31 March 2017 and 31 March 2016 are the balancing figures between audited figures in respect of the full financial years and the published unaudited year to date figures upto the end of the third quarter of the relevant financial year, which were subjected to limited review
- 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

Kiran Mazumdar Shaw Chairman and Managing Director

Date: April 27, 2017