

**Biocon Limited**

20th KM Hosur Road  
Electronics City  
Bangalore 560 100, India  
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CIN : L24234KA1978PLC003417

[www.biocon.com](http://www.biocon.com)

Date of Submission: October 25, 2018

To The Secretary BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 <b>Scrip Code - 532523</b>	To The Secretary National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Mumbai – 400 050 <b>Stock Code- Biocon</b>
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Dear Sir/Madam,

**Sub:** Unaudited Financial Results (Standalone and Consolidated) for the quarter and half year ended September 30, 2018

**Ref:** Regulation 33 of the SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015

With reference to the captioned subject, the unaudited Financial Results (Standalone and Consolidated) for the quarter and half year ended September 30, 2018 together with Limited Review Report is enclosed herewith.

Kindly take the above said information on record as per the requirement of SEBI LODR Regulations, 2015.

Thanking You,  
Yours faithfully  
**For BIOCON LIMITED**

Satish Kumar SS  
Company Secretary and Compliance Officer  
Encl: A/A

# 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 3980 6000  
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## Limited 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 2018 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing 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.

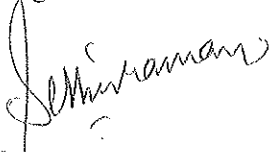
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, '*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*' specified under Section 143(10) of the Companies Act, 2013. This standard requires that we plan and perform the review 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 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 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations 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: 25 October 2018

# 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 3980 6000  
Fax: + 91 80 3980 6999

## Limited 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 (collectively referred to as 'the Group'), its associates and a joint venture (Refer to Note 3 of the Statement), for the quarter and half year ended 30 September 2018 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing 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*' specified under Section 143(10) of the Companies Act, 2013. 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 financial information of a subsidiary included in the Statement, whose unaudited financial information reflect total revenue of Rs 951 million and Rs 1,345 million for the quarter ended and half year ended 30 September 2018 respectively and total assets of Rs 26,548 million as at 30 September 2018. The consolidated financial results also include the Group's share of loss (and other comprehensive income) of Rs 9 million and Rs. 4 million for the quarter and half year ended 30 September 2018 respectively in respect of a joint venture. The unaudited financial information in relation to the subsidiary and a joint venture, both incorporated outside India has been reviewed by other auditors whose reports have been furnished to us. The Company's Management has converted the financial information of the subsidiary and a joint venture both incorporated outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments, if any made by the Company's Management. Our conclusion on the Statement to the extent they have been derived from such unaudited financial information is based solely on the report of such other auditors and the conversion adjustments, if any prepared by the Management of the Company and reviewed by us. Our conclusion is not modified in respect of such matter.

B S R & Co. LLP

**Biocon Limited**

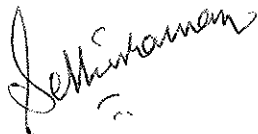
**Limited Review report (continued)**

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 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations 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: 25 October 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 HALF YEAR ENDED SEPTEMBER 30, 2018**

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

Sl. No.	Particulars	3 months ended 30.09.2018	3 months ended 30.06.2018	3 months ended 30.09.2017	6 months ended 30.09.2018	6 months ended 30.09.2017	Previous Year ended 31.03.2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	Revenue from operations	7,089	6,722	6,047	13,811	11,853	24,255
	Other income	563	405	457	968	718	1,247
	<b>Total income</b>	<b>7,652</b>	<b>7,127</b>	<b>6,504</b>	<b>14,779</b>	<b>12,571</b>	<b>25,502</b>
2	<b>Expenses</b>						
	a) Cost of raw materials and packing materials consumed	2,990	2,860	1,922	5,850	4,417	9,587
	b) Purchases of traded goods	434	280	240	714	411	925
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(270)	(99)	556	(369)	328	(18)
	d) Excise duty	-	-	-	-	63	63
	e) Employee benefits expense	1,289	1,118	964	2,407	1,925	4,086
	f) Finance costs	12	-	2	12	11	10
	g) Depreciation and amortisation expenses	402	317	334	719	706	1,361
	h) Other expenses	1,802	1,750	1,645	3,552	3,127	6,479
		6,659	6,226	5,663	12,885	10,988	22,493
	Less: Recovery of cost from co-development partners (net)	(69)	(8)	(9)	(77)	(9)	(49)
	<b>Total expenses</b>	<b>6,590</b>	<b>6,218</b>	<b>5,654</b>	<b>12,808</b>	<b>10,979</b>	<b>22,444</b>
3	<b>Profit before tax and exceptional item (1-2)</b>	<b>1,062</b>	<b>909</b>	<b>850</b>	<b>1,971</b>	<b>1,592</b>	<b>3,058</b>
4	Exceptional items [refer note 7 below]	347	1,640	-	1,987	-	-
5	<b>Profit before tax (3 + 4)</b>	<b>1,409</b>	<b>2,549</b>	<b>850</b>	<b>3,958</b>	<b>1,592</b>	<b>3,058</b>
6	Tax expense	211	252	166	463	363	673
7	<b>Profit for the period/year (5 - 6)</b>	<b>1,198</b>	<b>2,297</b>	<b>684</b>	<b>3,495</b>	<b>1,229</b>	<b>2,385</b>
8	<b>Other comprehensive income</b>						
	A (i) Items that will not be reclassified to profit or loss	158	(3)	(7)	155	(14)	(11)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	82	-	-	82	-	4
	B (i) Items that will be reclassified to profit or loss	(80)	(65)	(44)	(145)	(55)	(89)
	(ii) Income tax relating to items that will be reclassified to profit or loss	27	23	15	50	19	31
	<b>Other comprehensive income, net of taxes</b>	<b>187</b>	<b>(45)</b>	<b>(36)</b>	<b>142</b>	<b>(50)</b>	<b>(65)</b>
9	<b>Total comprehensive income for the period (7+8)</b>	<b>1,385</b>	<b>2,252</b>	<b>648</b>	<b>3,637</b>	<b>1,179</b>	<b>2,320</b>
10	Paid-up equity share capital (Face value of Rs. 5 each)	3,000	3,000	3,000	3,000	3,000	3,000
11	Reserves i.e. Other equity						64,386
13	<b>Earnings per share (of Rs. 5 each)</b>	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic	2.03	3.89	1.16	5.91	2.09	4.04
	(b) Diluted	2.01	3.85	1.15	5.87	2.07	4.02
	See accompanying notes to the financial results						



**BIOCON LIMITED**  
**Standalone Balance Sheet**

(Rs. in Million)

	<u>As at</u> <u>September 30, 2018</u> (Unaudited)	<u>As at</u> <u>March 31, 2018</u> (Audited)
<b>A ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Property, plant and equipment	10,318	8,341
(b) Capital work-in-progress	1,493	3,185
(c) Investment property	428	438
(d) Intangible assets	246	247
(e) Financial assets		
Investments	38,500	37,452
Loans	1,652	2,817
Other financial assets	400	379
(g) Income tax asset, net	617	648
(h) Deferred tax asset, net	1,852	1,022
(i) Other non-current assets	2,322	2,163
<b>Total non-current assets</b>	<u>57,828</u>	<u>56,692</u>
<b>2 Current assets</b>		
(a) Inventories	6,783	5,617
(b) Financial assets		
Investments	2,689	4,538
Trade receivables	8,503	7,399
Cash and cash equivalents	3,593	891
Other bank balances	2,048	1,078
Other financial assets	653	759
(c) Other current assets	327	295
<b>Total current assets</b>	<u>24,596</u>	<u>20,577</u>
<b>TOTAL - ASSETS</b>	<u>82,424</u>	<u>77,269</u>
<b>B EQUITY AND LIABILITIES</b>		
<b>1 Equity</b>		
(a) Equity share capital	3,000	3,000
(b) Other equity	67,278	64,386
<b>Total Equity</b>	<u>70,278</u>	<u>67,386</u>
<b>2 Non-current liabilities</b>		
(a) Financial liabilities		
Borrowings	14	672
Other financial liabilities	64	7
(b) Provisions	172	172
(c) Other non-current liabilities	995	716
<b>Total non-current liabilities</b>	<u>1,245</u>	<u>1,567</u>
<b>3 Current liabilities</b>		
(a) Financial liabilities		
Trade payables	6,592	5,797
Other financial liabilities	2,212	1,130
(b) Provisions	412	316
(c) Income tax liability, net	1,249	740
(d) Other current liabilities	436	333
<b>Total current liabilities</b>	<u>10,901</u>	<u>8,316</u>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<u>82,424</u>	<u>77,269</u>





<p style="text-align: center;"> <b>BIOCON LIMITED</b>  CIN: L24234KA1978PLC003417 Website: www.biocon.com  Registered office: 20th KM HOSUR ROAD, ELECTRONIC CITY P.O., BANGALORE - 560 100  <b>STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2018</b> </p>							
(Rs. in Million, except per equity share data)							
Sl. No.	Particulars	3 months ended 30.09.2018	3 months ended 30.06.2018	3 months ended 30.09.2017	6 months ended 30.09.2018	6 months ended 30.09.2017	Previous Year ended 31.03.2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	Revenue from operations	13,210	11,238	9,686	24,448	19,023	41,297
	Other income	544	688	508	1,232	1,048	2,062
	<b>Total income</b>	<b>13,754</b>	<b>11,926</b>	<b>10,194</b>	<b>25,680</b>	<b>20,071</b>	<b>43,359</b>
2	<b>Expenses</b>						
	a) Cost of raw materials and packing materials consumed	4,369	4,411	3,077	8,780	6,624	14,450
	b) Purchases of traded goods	434	280	718	714	1,222	2,328
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(336)	(352)	(19)	(688)	(475)	(417)
	d) Excise duty	-	-	-	-	63	63
	e) Employee benefits expense	2,889	2,614	2,255	5,503	4,388	9,311
	f) Finance costs	188	176	138	364	299	615
	g) Depreciation and amortisation expenses	1,122	991	936	2,113	1,924	3,851
	h) Other expenses	3,290	2,527	2,208	5,817	4,207	9,018
		<b>11,956</b>	<b>10,647</b>	<b>9,313</b>	<b>22,603</b>	<b>18,252</b>	<b>39,219</b>
	Less: Recovery of cost from co-development partners (net)	(832)	(620)	(376)	(1,452)	(750)	(1,747)
	<b>Total expenses</b>	<b>11,124</b>	<b>10,027</b>	<b>8,937</b>	<b>21,151</b>	<b>17,502</b>	<b>37,472</b>
3	<b>Profit before share of profit of joint venture and associates, exceptional items and tax (1-2)</b>	<b>2,630</b>	<b>1,899</b>	<b>1,257</b>	<b>4,529</b>	<b>2,569</b>	<b>5,887</b>
4	Share of profit of joint venture and associates, net	(9)	5	59	(4)	100	213
5	<b>Profit before tax and exceptional items (3-4)</b>	<b>2,621</b>	<b>1,904</b>	<b>1,316</b>	<b>4,525</b>	<b>2,669</b>	<b>6,100</b>
6	Exceptional items (net) [refer note 4 and 5 below]	1,888	-	-	1,888	-	-
7	<b>Profit before tax (5-6)</b>	<b>4,509</b>	<b>1,904</b>	<b>1,316</b>	<b>6,413</b>	<b>2,669</b>	<b>6,100</b>
8	Tax expense	732	521	425	1,253	801	1,569
9	<b>Profit for the period / year before non-controlling interest (7-8)</b>	<b>3,777</b>	<b>1,383</b>	<b>891</b>	<b>5,160</b>	<b>1,868</b>	<b>4,531</b>
10	Non-controlling interest	(230)	(186)	(203)	(416)	(367)	(807)
11	<b>Profit for the period / year (9-10)</b>	<b>3,547</b>	<b>1,197</b>	<b>688</b>	<b>4,744</b>	<b>1,501</b>	<b>3,724</b>
12	<b>Other comprehensive income</b>						
	A (i) Items that will not be reclassified to profit or loss	148	(39)	(14)	109	(28)	(19)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	82	8	1	90	2	6
	B (i) Items that will be reclassified to profit or loss	(1,261)	(1,345)	62	(2,606)	122	166
	(ii) Income tax relating to items that will be reclassified to profit or loss	425	403	12	828	-	-
	<b>Total other comprehensive income, net of tax</b>	<b>(606)</b>	<b>(973)</b>	<b>61</b>	<b>(1,579)</b>	<b>96</b>	<b>153</b>
13	Non-controlling interest	380	373	1	753	(15)	(23)
14	<b>Other comprehensive income attributable to Shareholders (12+13)</b>	<b>(226)</b>	<b>(600)</b>	<b>62</b>	<b>(826)</b>	<b>81</b>	<b>130</b>
	<b>Total comprehensive income attributable to:</b>						
	Shareholders of the Company	3,321	597	750	3,918	1,582	3,854
	Non-controlling interest	(150)	(187)	202	(337)	382	830
	<b>Total comprehensive income</b>	<b>3,171</b>	<b>410</b>	<b>952</b>	<b>3,581</b>	<b>1,964</b>	<b>4,684</b>
15	Paid-up equity share capital (Face value of Rs. 5 each)	3,000	3,000	3,000	3,000	3,000	3,000
16	Reserves i.e. Other equity						48,808
17	<b>Earnings per share (of Rs. 5 each)</b>	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic	6.00	2.03	1.17	8.03	2.55	6.31
	(b) Diluted	5.95	2.01	1.16	7.96	2.53	6.27
	See accompanying notes to the financial results						



**BIOCON LIMITED**  
**Consolidated Balance Sheet**

	(Rs. in Million)	
	As at	As at
	September 30, 2018	March 31, 2018
	(Unaudited)	(Audited)
<b>A ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Property, plant and equipment	41,445	36,297
(b) Capital work-in-progress	8,467	7,789
(c) Goodwill	264	264
(d) Other intangible assets	653	434
(e) Intangible assets under development	6,346	5,239
(f) Investments in associates and a joint venture	634	638
(g) Financial assets		
Investments	4,124	-
Derivative assets	609	1,109
Other financial assets	284	248
(h) Income tax asset, net	1,350	1,273
(i) Deferred tax asset, net	3,835	1,934
(j) Other non-current assets	3,261	3,186
<b>Non-current assets</b>	<b>71,272</b>	<b>58,411</b>
<b>2 Current assets</b>		
(a) Inventories	8,776	7,225
(b) Financial assets		
Investments	4,700	6,114
Trade receivables	10,389	10,639
Cash and cash equivalents	5,763	5,012
Other bank balances	6,595	8,216
Derivative assets	574	995
Other financial assets	4,814	1,915
(c) Other current assets	1,556	1,370
<b>Current assets</b>	<b>43,167</b>	<b>41,486</b>
<b>TOTAL - ASSETS</b>	<b>1,14,439</b>	<b>99,897</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>1 Equity</b>		
(a) Equity share capital	3,000	3,000
(b) Other equity	54,036	48,808
<b>Equity attributable to owners of the Company</b>	<b>57,036</b>	<b>51,808</b>
Non-controlling interests	4,855	4,677
<b>Total Equity</b>	<b>61,891</b>	<b>56,485</b>
<b>2 Non-current liabilities</b>		
(a) Financial liabilities		
Borrowings	18,464	17,898
Derivative liability	1,802	183
Other financial liabilities	1	2
(b) Provisions	531	493
(c) Other non-current liabilities	6,333	3,423
<b>Non-current liabilities</b>	<b>27,131</b>	<b>21,999</b>
<b>3 Current liabilities</b>		
(a) Financial liabilities		
Borrowings	2,702	1,303
Trade payables	10,728	10,053
Derivative liability	669	62
Other financial liabilities	6,749	5,563
(b) Provisions	599	465
(c) Income tax liability, net	1,954	891
(d) Other current liabilities	2,016	3,076
<b>Current liabilities</b>	<b>25,417</b>	<b>21,413</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>1,14,439</b>	<b>99,897</b>





<p style="text-align: center;">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, 2018</p>						
(Rs. in Million)						
Particulars	3 months ended 30.09.2018	3 months ended 30.06.2018	3 months ended 30.09.2017	6 months ended 30.09.2018	6 months ended 30.09.2017	Previous Year ended 31.03.2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Segment revenue						
a. Small molecules	4,319	4,001	3,505	8,320	7,134	15,077
b. Biologics	3,675	2,497	1,557	6,172	3,396	7,702
c. Branded formulations	1,639	1,473	1,759	3,112	3,063	6,115
d. Research services	4,186	4,060	3,352	8,246	6,263	14,231
Total	13,819	12,031	10,173	25,850	19,856	43,125
Less: Inter-segment revenue	(609)	(793)	(487)	(1,402)	(833)	(1,828)
Net sales / Income from continuing operations	13,210	11,238	9,686	24,448	19,023	41,297
Segment results						
Profit before interest and tax from each segment						
a. Small molecules	869	728	467	1,597	1,171	2,843
b. Biologics #	908	269	(205)	1,177	(265)	(119)
c. Branded formulations #	118	181	186	299	226	428
d. Research services	969	831	944	1,800	1,704	3,725
Total	2,864	2,009	1,392	4,873	2,836	6,877
Less: Interest	105	97	86	202	196	388
Other un-allocable expenditure / (income), net	138	8	(10)	146	(29)	389
Profit before tax and before exceptional items #	2,621	1,904	1,316	4,525	2,669	6,100
Segment assets						
a. Small molecules	19,116	17,916	17,062	19,116	17,062	17,681
b. Biologics	43,737	39,082	33,217	43,737	33,217	36,038
c. Branded formulations	3,329	3,166	2,931	3,329	2,931	2,927
d. Research services	32,905	33,582	27,710	32,905	27,710	31,890
	99,087	93,746	80,920	99,087	80,920	88,536
e. Unallocable	15,352	14,824	13,830	15,352	13,830	11,361
Total segment assets	1,14,439	1,08,570	94,750	1,14,439	94,750	99,897
Segment liabilities						
a. Small molecules	4,833	4,719	4,153	4,833	4,153	4,320
b. Biologics	9,503	9,896	6,560	9,503	6,560	7,704
c. Branded formulations	2,303	2,189	2,085	2,303	2,085	1,872
d. Research services	17,094	17,053	12,285	17,094	12,285	14,686
	33,733	33,857	25,083	33,733	25,083	28,582
e. Unallocable	18,815	16,193	16,158	18,815	16,158	14,830
Total segment liabilities	52,548	50,050	41,241	52,548	41,241	43,412
Capital employed						
a. Small molecules	14,283	13,197	12,909	14,283	12,909	13,361
b. Biologics	34,234	29,186	26,657	34,234	26,657	28,334
c. Branded formulations	1,026	977	846	1,026	846	1,055
d. Research services	15,811	16,529	15,425	15,811	15,425	17,204
	65,354	59,889	55,837	65,354	55,837	59,954
e. Unallocable	(3,463)	(1,369)	(2,328)	(3,463)	(2,328)	(3,469)
Total capital employed	61,891	58,520	53,509	61,891	53,509	56,485
# includes share of profit/loss of joint venture and associates						



**Biocon Limited**  
**Unaudited financial results for the quarter and half year ended September 30, 2018**

**Notes:**

1. The unaudited standalone and consolidated financial results for the quarter and half year ended September 30, 2018 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 25, 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 and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
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 ("BRL")
  - 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 associates i.e. Iatrica Inc. and Equillum Inc., (also refer note 5) 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. The Company had recorded a loss of Rs. 1,032 million arising from such incident till March 31, 2018. Syngene has recorded a further loss of Rs. 23 million during the quarter resulting in a total loss of Rs. 1,055 million from the date of the incident till September 30, 2018. Syngene also recognised 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, Syngene is in the process of determining its final claim for loss of fixed assets and Business Interruption and has accordingly not recorded any further claim arising therefrom at this stage.





**Biocon Limited**

**Unaudited financial results for the quarter and half year ended September 30, 2018**

5. During the year ended March 31, 2018, the Group, had accounted for its 19.5% equity investment in Equillum Inc. as an associate. During the quarter ended September 30, 2018, Equillum initiated its initial public offering (IPO) process and consequently had changes in its Board composition, which resulted in loss of significant influence over the investee. In accordance with Ind AS 23: Investments in Associates and Joint Ventures, the Company fair valued its investment on the date of loss of significant influence which resulted in a gain of Rs.1,707 million, net of tax expenses of Rs. 181 million for the quarter and half year ended September 30, 2018, which has been disclosed as an Exceptional item in these financial results. The Group, going forward has designated its investment in equity of Equillum to be accounted for at Fair value through other comprehensive income (FVOCI). Subsequent to the quarter end, Equillum completed its IPO and listed on NASDAQ on October 12, 2018.
6. 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.
7. During the quarter and half year ended September 30, 2018, the Company along with its subsidiary BRL sold 1,000,000 and 6,597,130 equity shares of Rs. 10 each of Syngene respectively in the open market. Post the sale, the Company and its subsidiary's holding in equity shares of Syngene has reduced to 70.24% as on September 30, 2018. Gain arising from such sale of equity shares, net of related expense and cost of equity shares amounting to Rs. 347 and Rs. 1,987 has been recorded as exceptional item in the standalone financial results for the quarter and half year ended September 30, 2018.

The gain arising from such sale of equity shares, net of related expenses and cost of equity shares, for the quarter and half year ended September 30, 2018 has been accounted in equity reserves in the consolidated financial results for the quarter and half year ended September 30, 2018, as there is no loss of control.

8. Pursuant to the requirements of Ind AS 115: Revenues from Contracts with Customers, the Group evaluated its open arrangements on out-licensing with reference to upfront non-refundable fees received in earlier periods and concluded that some of the performance obligations may not be distinct and hence would need to be bundled with the subsequent product supply obligations.

Accordingly, the Group has recognised an incremental deferred revenue relating to such open contracts. The adoption of this standard and the consequential impact on change in some of the licensing arrangements did not have a material impact on the Revenue from Operations and results for the quarter and half year ended September 30, 2018. The cumulative effect of transition recorded as of April 1, 2018 on retained earnings is Rs. 1,580 with the corresponding effect on deferred revenue and deferred tax asset amounting to Rs. 1,847 and Rs. 267 respectively. Comparative periods were not restated given the Group adopted the standard using the cumulative effect approach.



**Biocon Limited**  
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9. 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,  
October 25, 2018

Kiran Mazumdar Shaw  
Chairman and Managing Director

