

B S R & Co. LLP

Chartered Accountants

Maruthi Info-Tech Centre
11-12/1, B Block, 2nd Floor
Inner Ring Road, Koramangala
Bangalore 560 071 India

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

Limited review report

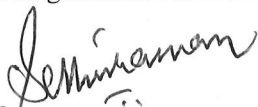
To
The Board of Directors of Biocon Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Biocon Limited (“the Company”) for the quarter ended June 30, 2019 (“the Statement”).
2. This Statement, which is the responsibility of the Company’s Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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.
4. Attention is drawn to the fact that the figures for the 3 months ended March 31, 2019 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. 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 and other recognised 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's Registration Number: 101248W/W-100022



S Sethuraman

Partner

Membership Number: 203491

UDIN.: 19203491AAAABL8424

Place: Bangalore

Date: July 25, 2019

B S R & Co. LLP

Chartered Accountants

Maruthi Info-Tech Centre
11-12/1, B Block, 2nd Floor
Inner Ring Road, Koramangala
Bangalore 560 071 India

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

Limited review report

To
The Board of Directors of Biocon Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Biocon Limited (“the Parent”) and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”), and its share of the net loss after tax and total comprehensive loss of its associate and a joint venture for the quarter ended June 30, 2019 (“the Statement”), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”).
2. This Statement, which is the responsibility of the Parent’s Management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

1. Syngene International Limited
2. Biocon Research Limited
3. Biocon Pharma Limited
4. Biocon Biologics India Limited
5. Biocon Biologics Limited
6. Biocon Syngene Academy
7. Biocon SDN. BHD
8. Biocon SA
9. Biocon FZ LLC
10. Biocon Pharma Inc.
11. Biocon Healthcare SDN. BHD
12. Syngene USA Inc.
13. Biocon Pharma UK Limited
14. Biocon Pharma Ireland Limited
15. Bicara Therapeutics Inc.

B S R & Co. (a partnership firm with
Registration No. BA61223) converted into
B S R & Co. LLP (a Limited Liability Partnership
with LLP Registration No. AAB-8181)
with effect from October 14, 2013

Registered Office:
5th Floor, Lodha Excelus
Apollo Mills Compound
N M Joshi Marg, Mahalakshmi
Mumbai 400 011

Biocon Limited

Limited Review report (continued)

16. Biocon India Limited Employee Welfare Trust
 17. Syngene International Limited Employee Welfare Trust
 18. NeoBiocon FZ LLC
 19. Iatrica Inc.
5. Attention is drawn to the fact that the figures for the 3 months ended March 31, 2019 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the reports of other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, 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.
7. We did not review the financial information of a subsidiary included in the Statement, whose financial information reflect total revenues (including other income) of Rs. 573 million, total net loss after tax of Rs. 424 million and total comprehensive loss of Rs. 465 million for the quarter ended June 30, 2019, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net loss after tax of Rs. 79 million and total comprehensive loss Rs. 79 million for the quarter ended June 30, 2019, as considered in the statement, in respect of a joint venture, whose financial information have not been reviewed by us. The financial information of the subsidiary and joint venture both incorporated outside India have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by the other auditors under auditing standards applicable in their respective countries. The Parent'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 Parent's Management. Our opinion in so far as it relates to the balances and affairs of such subsidiary and joint venture both incorporated outside India is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matters.

for B S R & Co. LLP

Chartered Accountants

Firm's Registration Number: 101248W/W-100022



S Sethuraman

Partner

Membership Number: 203491

UDIN.: 19203491AAAABK8349

Place: Bangalore

Date: July 25, 2019

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 ENDED JUNE 30, 2019

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

Sl. No.	Particulars	3 months ended	3 months ended	3 months ended	Previous Year ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		(Unaudited)	(Audited) (Refer note 12)	(Unaudited)	(Audited)
	Continuing operations				
1	Income				
	Revenue from operations	4,808	4,628	4,228	17,857
	Other income	253	130	316	1,089
	Total income	5,061	4,758	4,544	18,946
2	Expenses				
	a) Cost of raw materials and packing materials consumed	2,113	2,393	1,631	8,066
	b) Purchases of traded goods	208	64	70	510
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(400)	(482)	244	(691)
	d) Employee benefits expense	822	794	644	2,891
	e) Finance costs	5	6	-	26
	f) Depreciation and amortisation expenses	240	234	223	923
	g) Other expenses	1,331	1,419	1,148	4,982
		4,319	4,428	3,960	16,707
	Less: Recovery of cost from co-development partners (net)	-	16	(8)	(4)
	Total expenses	4,319	4,444	3,952	16,703
3	Profit before tax and exceptional item (1-2)	742	314	592	2,243
4	Exceptional items [refer note 7 and 10]	820	-	1,640	1,987
5	Profit before tax from continuing operations (3 + 4)	1,562	314	2,232	4,230
6	Tax expense of continuing operations [refer note 7]	342	3	203	447
7	Profit for the period/year from continuing operations (5 - 6)	1,220	311	2,029	3,783
	Discontinuing/discontinued operations				
8	Profit/(loss) before tax for the period/year from discontinuing/discontinued operations [refer note 4]	(52)	429	317	1,291
9	Tax expense/(credit) of discontinuing/discontinued operations	49	35	49	147
10	Profit for the period/year from discontinuing/discontinued operations (8 - 9)	(101)	394	268	1,144
11	Net profit for the period/year (7+10)	1,119	705	2,297	4,927
12	Other comprehensive income				
	A (i) Items that will not be reclassified to profit or loss	(5)	(26)	(3)	42
	(ii) Income tax relating to items that will not be reclassified to profit or loss	2	(10)	-	93
	B (i) Items that will be reclassified to profit or loss	(6)	32	(65)	(7)
	(ii) Income tax relating to items that will be reclassified to profit or loss	2	(8)	23	3
	Other comprehensive income, net of taxes	(7)	(12)	(45)	131
13	Total comprehensive income for the period/year (11+12)	1,112	693	2,252	5,058
14	Paid-up equity share capital (Face value of Rs. 5 each) [refer note 11]	6,000	3,000	3,000	3,000
15	Reserves i.e. Other equity				68,154
16	Earnings per share (of Rs. 5 each) [refer note 11]				
	From continuing operations	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(a) Basic	1.04	0.27	1.72	3.20
	(b) Diluted	1.03	0.26	1.71	3.18
	From discontinuing/ discontinued operations				
	(a) Basic	(0.09)	0.33	0.23	0.97
	(b) Diluted	(0.09)	0.33	0.22	0.96
	From total operations				
	(a) Basic	0.95	0.60	1.95	4.17
	(b) Diluted	0.94	0.59	1.93	4.14
	See accompanying notes to the financial results				



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 ENDED JUNE 30, 2019

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

Sl. No.	Particulars	3 months ended	3 months ended	3 months ended	Previous Year ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		(Unaudited)	(Audited) (Refer note 12)	(Unaudited)	(Audited)
1	Income				
	Revenue from operations	14,659	15,288	11,238	55,144
	Other income	241	282	688	1,444
	Total income	14,900	15,570	11,926	56,588
2	Expenses				
	a) Cost of raw materials and packing materials consumed	4,891	5,475	4,411	19,795
	b) Purchases of traded goods	397	195	280	1,268
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,043)	(791)	(352)	(2,097)
	d) Employee benefits expense	3,410	3,206	2,614	11,653
	e) Finance costs	166	159	176	709
	f) Depreciation and amortisation expenses	1,242	1,198	991	4,478
	g) Other expenses	3,307	3,804	2,527	13,287
		12,370	13,246	10,647	49,093
	Less: Recovery of cost from co-development partners (net)	(678)	(631)	(620)	(2,699)
	Total expenses	11,692	12,615	10,027	46,394
3	Profit before share of profit of joint venture and associates, exceptional items and tax (1-2)	3,208	2,955	1,899	10,194
4	Share of profit / (loss) of joint venture and associates, net	(79)	(112)	5	9
5	Profit before tax and exceptional items (3+4)	3,129	2,843	1,904	10,203
6	Exceptional items (net) [refer note 8 and 9]	-	-	-	1,946
7	Profit before tax (5+6)	3,129	2,843	1,904	12,149
8	Tax expense [refer note 7 and 9]	852	409	521	2,123
9	Profit for the period / year before non-controlling interest (7-8)	2,277	2,434	1,383	10,026
10	Non-controlling interest	(214)	(297)	(186)	(973)
11	Profit for the period / year (9+10)	2,063	2,137	1,197	9,053
12	Other comprehensive income				
	A (i) Items that will not be reclassified to profit or loss	(389)	(48)	(39)	(605)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	35	(9)	8	160
	B (i) Items that will be reclassified to profit or loss	(273)	684	(1,345)	(432)
	(ii) Income tax relating to items that will be reclassified to profit or loss	31	(226)	403	153
	Total other comprehensive income, net of tax	(596)	401	(973)	(724)
13	Non-controlling interest	43	(168)	373	172
14	Other comprehensive income attributable to Shareholders (12+13)	(553)	233	(600)	(552)
	Total comprehensive income attributable to:				
	Shareholders of the Company	1,510	2,370	597	8,501
	Non-controlling interest	171	465	(187)	801
	Total comprehensive income	1,681	2,835	410	9,302
15	Paid-up equity share capital (Face value of Rs. 5 each) [refer note 11]	6,000	3,000	3,000	3,000
16	Reserves i.e. Other equity				57,980
17	Earnings per share (of Rs. 5 each) [refer note 11]				
	(a) Basic	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(b) Diluted	1.74	1.81	1.02	7.65
		1.74	1.79	1.01	7.60
	See accompanying notes to the financial results				



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 ENDED JUNE 30, 2019

(Rs. in Million)

Particulars	3 months ended 30.06.2019	3 months ended 31.03.2019	3 months ended 30.06.2018	Previous Year ended 31.03.2019
	(Unaudited)	(Audited) (Refer note 12)	(Unaudited)	(Audited)
Segment revenue				
a. Small molecules	4,796	4,719	4,001	17,728
b. Biologics	4,896	4,511	2,497	15,169
c. Branded formulations	1,334	1,330	1,473	6,564
d. Research services	4,209	5,339	4,060	18,256
Total	15,235	15,899	12,031	57,717
Less: Inter-segment revenue	(576)	(611)	(793)	(2,573)
Net sales / Income from continuing operations	14,659	15,288	11,238	55,144
Segment results				
Profit before interest and tax from each segment				
a. Small molecules	1,037	681	728	3,254
b. Biologics #	1,860	1,469	269	3,977
c. Branded formulations #	(27)	48	181	621
d. Research services	871	1,287	831	4,154
Total	3,741	3,485	2,009	12,006
Less: Interest	95	82	97	388
Other un-allocable expenditure / (income), net	517	560	8	1,415
Profit before tax and before exceptional items #	3,129	2,843	1,904	10,203
Segment assets				
a. Small molecules	21,691	20,068	17,916	20,068
b. Biologics	51,474	47,601	39,082	47,601
c. Branded formulations	2,313	3,178	3,166	3,178
d. Research services	37,817	37,035	33,582	37,035
	1,13,295	1,07,882	93,746	1,07,882
e. Unallocable	13,061	14,042	14,824	14,042
Total segment assets	1,26,356	1,21,924	1,08,570	1,21,924
Segment liabilities				
a. Small molecules	6,179	4,965	4,719	4,965
b. Biologics	14,635	12,152	9,896	12,152
c. Branded formulations	1,364	2,416	2,189	2,416
d. Research services	17,607	17,351	17,053	17,351
	39,785	36,884	33,857	36,884
e. Unallocable	17,689	17,971	16,193	17,971
Total segment liabilities	57,474	54,855	50,050	54,855
Capital employed				
a. Small molecules	15,512	15,103	13,197	15,103
b. Biologics	36,839	35,449	29,186	35,449
c. Branded formulations	949	762	977	762
d. Research services	20,210	19,684	16,529	19,684
	73,510	70,998	59,889	70,998
e. Unallocable	(4,628)	(3,929)	(1,369)	(3,929)
Total capital employed	68,882	67,069	58,520	67,069
# includes share of profit/loss of joint venture and associates				



Biocon Limited
Unaudited financial results for the quarter ended June 30, 2019

Notes:

1. The unaudited standalone and consolidated financial results for the quarter ended June 30, 2019 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 July 25, 2019. 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 Syngene Academy
 - Biocon SA
 - Biocon SDN. BHD
 - Biocon FZ LLC
 - Biocon Biologics Limited
 - Biocon Pharma Inc.
 - Biocon Biologics India Limited ("BBIL")
 - Biocon Healthcare SDN. BHD
 - Bicara Therapeutics Inc.
 - Biocon Pharma Ireland Limited
 - Biocon Pharma UK Limited
 - Syngene USA Inc.

Biocon Limited and its subsidiaries are collectively referred to as 'the Group'. 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 International Limited 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., if any under the equity method.

4. Discontinued/ Discontinuing operations:

Consequent to the approvals received from the Board of Directors on October 26, 2017 and from the shareholders on December 07, 2017, the Company has transferred the business undertaking related to manufacturing and commercialisation of Biosimilars, Insulins and drug substance manufactured in the GPP facility under the Biologics segment of the Group on a going concern basis by way of slump sale to BBIL effective May 01, 2019 for a consideration of Rs 7,054 million. Accordingly, results of Biologics business for the current quarter and comparatives for previous quarters and year end has been disclosed as discontinued operations in the standalone results.



Biocon Limited
Unaudited financial results for the quarter ended June 30, 2019

The Company's Board of Directors on June 17, 2019 also approved the transfer of Branded Formulations (BFI) business on a going concern basis by way of a slump sale to BBIL. Transfer would be effective upon completion of certain conditions mutually agreed between the Company and BBIL. Accordingly, results of BFI business for the current quarter and comparatives for previous quarters and year end has also been disclosed as discontinuing operations in the standalone results.

The above slump sale of Biologics and BFI businesses to BBIL does not have any impact on the consolidated results.

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. Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases" on all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted. The effect of this adoption did not have a material impact on the results for the quarter ended June 30, 2019.
7. During the quarter ended June 30, 2019, pursuant to group entities restructuring the Company sold its investment in the equity shares of Biocon Biologics Limited, United Kingdom (BUK), a wholly owned subsidiary to BBIL for a consideration of Rs 10,810 million and received dividend of Rs 456 million from BUK. Gain arising from such sale of equity shares, including dividend income, amounting to Rs 820 million is recorded as an exceptional item in the standalone financial results. Consequential tax of Rs 166 million is included within tax from continuing operations in standalone and consolidated financial results.
8. 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 had recorded a loss of Rs. 1,055 million arising from such incident till March 31, 2019. 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.

9. 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 28: Investments in Associates and Joint Ventures, the Company fair valued its investment on the date of loss of significant influence and the anti-dilutive rights on the date of IPO which resulted in a gain of Rs. 1,762 million, net of tax expenses of Rs. 184 million for the year ended March 31, 2019, which has been disclosed as an Exceptional item for the year ended March 31, 2019.



Biocon Limited
Unaudited financial results for the quarter ended June 30, 2019

10. During the quarter ended June 30, 2018 and year ended March 31, 2019, the Company along with its subsidiary BRL sold 5,597,130 and 6,597,130 equity shares of Rs. 10 each of Syngene respectively in the open market. Gain arising from such sale of equity shares amounting to Rs. 1,640 and Rs. 1,987 has been recorded as exceptional item in the standalone financial results for the quarter ended June 30, 2018 and year ended March 31, 2019 respectively.

The gain arising from such sale of equity shares for the quarter ended June 30, 2018 and year ended March 31, 2019 has been accounted in equity reserves in the consolidated financial results, as there is no loss of control.

11. The Company has allotted 600,000,000 equity shares of Rs. 5/- each fully paid up as bonus shares on June 21, 2019 in the ratio of 1:1 (One 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 13, 2019) by capitalisation of securities premium account and general reserve. 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.

12. The figures for the quarter ended March 31, 2019 are the balancing figures between audited figures in respect to full previous financial year and the published unaudited year to date figures upto the end of the third quarter of the previous financial year, which were subjected to limited review.

13. Prior period/ year figures have been reclassified wherever required to conform to the classification of the current period/ year. Also refer note 4 above.

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



Kiran Mazumdar-Shaw
Chairperson and Managing Director

Bangalore,
July 25, 2019

