



BIOCON LIMITED
CIN: L24234KA1978PLC003417
Regd. Office: 20th KM, Hosur Road, Electronics City, Bangalore – 560100
Email: co.secretary@biocon.com ; website: www.biocon.com
Phone: 080 – 2808 2808 Fax: 080-28523423

POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014)

Dear Members,

Notice is hereby given pursuant to the provisions of Section 110 of the Companies Act, 2013 (“the Act”) read with the provisions of Rule 22 of the Companies (Management and Administration) Rules, 2014 (“the Rules”) including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that the following resolution is proposed for passing by the members through postal ballot/ electronic voting (e-voting). The explanatory statement pertaining to the aforesaid resolution setting out the material facts concerning the resolution and the reasons there of is annexed hereto with a Postal Ballot Form for your consideration.

The Board of Directors of the Company has appointed Mr. M. Damodaran (FCS: 5837 CP: 5081) Practicing Company Secretary, as the Scrutinizer for conducting the postal ballot and e-voting process in a fair and transparent manner.

Members are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed self-addressed Business Reply Envelope not later than 18:00 hours IST on December 05, 2017. Postage will be borne and paid by the Company. Postal Ballot Form(s), if sent at the expense of the member(s), will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given on the Business Reply Envelope. Please note that Postal Ballot forms received after 18:00 hrs IST on December 05, 2017 shall be deemed invalid.

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny of the postal ballots (including e- voting). The result of postal ballot shall be declared on or before December 08, 2017 and communicated to the stock exchanges, depositories, registrar and share transfer agents and shall also be displayed on the Company's website, www.biocon.com.

TRANSFER OF BIOSIMILARS BUSINESS OF THE COMPANY BY WAY OF A SLUMP SALE AS 'GOING CONCERN' TO BIOCON BIOLOGICS INDIA LIMITED, A STEP DOWN WHOLLY OWNED SUBSIDIARY OF THE COMPANY

To consider and if thought fit to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 and applicable rules made thereunder, the Memorandum and Articles of Association of the Company and subject to such other approvals / consents as may be necessary from the regulatory / statutory authorities including but not limited to the Department of Pharmaceuticals and customary closing formalities, approval of the members of the Company be and is hereby accorded to transfer the following businesses by way of a slump sale as a “going concern” to the Company's step down

subsidiary, Biocon Biologics India Limited along with employees, assets and liabilities, working capital pertaining thereto, all licenses, rights including manufacturing technology, regulatory approvals, permits, contracts, liabilities and interests thereof, as more appropriately defined in the Business Transfer Agreements, for consideration mentioned alongside each business as outlined below.

- 1) Insulin Formulation, Biosimilars API and Biosimilar Formulation Business carried out from unit located Biocon Park, Biocon SEZ for a consideration of Rs 409.73 (Rupees Four Hundred and Nine Crores and Seventy Three Lakhs only)
- 2) Insulin API business carried out from unit located at Biocon Campus, 20th Km, Hosur Road for a consideration of Rs 169.01 Crores (Rupees One Hundred and Sixty Nine crores and One Lakh only)”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board (which term shall include any committee of the Board that may be constituted to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient without further referring to the members of the Company, including finalizing / determining the effective date, terms and conditions of the transfer by way of slump sale of Insulin Formulations, Biosimilars API and Biosimilars Formulation business and the Insulin API business of the Company, methods and modes of receipt of the consideration in respect thereof, finalizing and executing the necessary assignment/ conveyance/ business transfer documents, contracts, agreements and to seek their registration thereof with the relevant authorities, filing intimations with and / or obtaining approvals / consents from the concerned regulatory/ statutory authorities etc.”

By Order of the Board of Directors
For BIOCON LIMITED

Place: Bengaluru.
Date: October 26, 2017.

Rajiv Balakrishnan
Company Secretary

BIOCON LTD.
Registered Office: 20th KM.
Hosur Road, Electronics City
Bengaluru, Karnataka – 560100
CIN: L24234KA1978PLC003417
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F: 91 80 2852 3423
www.biocon.com

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts pertaining to the resolution is annexed hereto along with the Postal Ballot form for your consideration.
2. The Postal Ballot Notice is being sent to all the members, whose names appear in the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) as on October 27, 2017. The Postal Ballot Notice is being sent to members in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding)/ the Company's Registrar and Share Transfer Agents (in case of physical shareholding). For members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode along with a postage-prepaid self-addressed Business Reply Envelope.

3. Members whose name appear on the Register of Members/ List of Beneficial Owners as on October 27, 2017 will only be considered for the purpose of voting.
4. Resolutions passed by the members with requisite majority through postal ballot shall be deemed to have been passed at a General Meeting of the members convened on that behalf.
5. Members can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case members cast their votes through both the modes, voting cast through e-voting shall be treated as valid and votes cast through physical Postal Ballot Forms will be treated as invalid.
6. In case a member is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an email to co.secretary@biocon.com. The Registrar and Transfer Agent/ Company shall forward the same along with the postage-prepaid self-addressed Business Reply Envelope to the member.
7. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the members as on October 27, 2017. The postal ballot period commences on November 06, 2017 (09:00 hrs IST) and ends on December 05, 2017 (18:00 hrs IST).
8. In compliance with the provisions of section 108 and 110 of the Companies Act, 2013 and the Rules made thereunder, the Company has provided the facility to the members to exercise their votes electronically and vote on all the resolutions through the e-voting service facility arranged by Karvy Computer Share Private Limited (Karvy). The instructions for electronic voting forms part of the Postal Ballot Form, annexed to this Notice.
9. Members desiring to exercise their vote by physical postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the scrutinizer, so that it reaches the scrutinizer not later than close of working hours (i.e. 18:00 Hours IST) on December 05, 2017. The postage will be borne by the Company. However, envelopes containing postal ballot, if sent by courier or registered/speed post at the expense of the members will also be accepted. Postal Ballot Forms received after 18:00 hrs IST on December 05, 2017 shall be deemed invalid.
10. The scrutinizer will submit his report to the Chairman after the completion of scrutiny, and the result of the voting by postal ballot will be announced by the Chairman/any Director of the Company/ Company Secretary, as soon as possible after the last date of receipt for Postal Ballot Forms but not later than the close of working hours of December 08, 2017 at the Registered Office. The results of the postal ballot will also be displayed on the website of the Company www.biocon.com besides being communicated to the Stock Exchanges, Depositories, Registrar and Share Transfer Agent on the said date.
11. All the material documents referred to in the explanatory statement will be available for inspection at the registered office of the Company during office hours on all working days from the date of dispatch of the notice until the last date for receipt of votes by postal ballot / e-voting. The date of declaration of postal ballot result shall be construed as the date of passing the resolution.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)

The Board of Directors of the Company at their meeting held on October 26, 2017, subject to approval of the members and obtaining other requisite statutory / regulatory approvals, approved transfer of the Company’s Insulin Formulations, Biosimilars API and Biosimilars Formulation business (“Business 1”) as well as the Insulin API business (“Business 2”) to its step down subsidiary, Biocon Biologics India Limited for a consideration of Rs 409.73 crores and Rs 169.01 crores respectively. Biocon Biologics India Limited is a wholly owned subsidiary of Biocon Biologics Limited, United Kingdom, which in turn is a wholly owned subsidiary of the Company. The transfer of Biosimilars business to Biocon Biologics India Limited would enable consolidation of the development, commercialization and manufacturing of all Biosimilars businesses under a single structure. The Board of Directors of your Company is also of the view that the transfer of the abovementioned businesses to the Company’s step down subsidiary with a clearly demarcated management team will also benefit the Company in the long run to take advantage of any inorganic opportunity that may arise in the future. The consideration for the transfer of the above mentioned businesses have been determined based on an independent valuation undertaken by M/s Grant Thornton. For the purposes of effecting the transfer of Business 1 and Business 2, the Company proposes to execute Business Transfer Agreements (“BTA”) and other related agreements, such as assignment deeds, conveyance deeds etc. with Biocon Biologics India Limited. The Company shall also apply for the requisite permissions /sanctions /consents of applicable governmental authorities, regulatory agencies etc. in due course.

As per the provisions of section 180(1)(a) of the Companies Act, 2013 ('the Act') the Board of Directors of a company shall not, except with the consent of the members by way of a special resolution sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company. Explanation (i) to Section 180(1) (a) of the Act provides that the expression “undertaking” shall mean an undertaking in which the investment of the company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the company during the previous financial year. Since the proposed transfer of Business 1 and Business 2 by way of a slump sale as “going concern” to Biocon Biologics India Limited exceeds the specified limits mentioned above, the Board of Directors seek members' approval by way of a special resolution.

None of the Company’s Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, whether financially or otherwise, in the resolution. Your Directors recommend passing the resolution as a Special Resolution.

By Order of the Board of Directors
For BIOCON LIMITED

Place: Bengaluru.
Date: October 26, 2017.

Rajiv Balakrishnan
Company Secretary

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