Board Report

Dear Members,

Your Directors are pleased to present the 31st Annual Report of your Company, along with the Audited Financial Statements and Auditor's Report for the Financial Year ended 31st March, 2024. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

Financial review

Your Company's standalone performance during FY24, compared to the previous year is summarized below.

(Rs. in Million)

Particulars	March 31, 2024	March 31, 2023
Total revenue	32,911	32,644
Total expenditure	27,227	26,635
Profit before depreciation, finance costs, exceptional items and tax expense	9,668	10,052
Less: Depreciation & interest	**3,984**	**4,043**
Profit before exceptional items and tax expense	5,684	6,009
Add: Exceptional items	**(111)**	**-**
Profit before tax expense	5,573	6,009
Less: Tax expenses	908	1,279
Profit for the year	**4,665**	**4,730**
Other comprehensive income	1,431	(972)
Total comprehensive income	**6,096**	**3,758**
Profit for the year excluding exceptional item	**4,776**	**4,730**

Key highlights of the Company's financial performance during FY24 are as follows:

- Revenue increased by 0.82% (from Rs. 32,644 Mn to Rs. 32,911 Mn)
- Earnings before interest, tax, depreciation and amortisation (EBITDA) decreased by 3.82% (from Rs. 10,052 Mn to Rs. 9,668 Mn)
- Profit after tax decreased by 1.39% (from Rs. 4,730 Mn to Rs. 4,665 Mn)

A detailed financial performance analysis is provided in the Management Discussion and Analysis Report, which is part of this Annual Report.

Operational Review

Syngene International Ltd. (BSE: 539268, NSE: SYNGENE, ISIN: INE398R01022) is an integrated research, development, and manufacturing services company serving the global pharmaceutical, biotechnology, nutrition, animal health, consumer goods, and specialty chemical sectors. Syngene has more than 5600 scientists who offer both skills and the capacity to deliver great science, robust data security, and quality manufacturing, at speed, to improve time-to-market and lower the cost of innovation. With a combination of dedicated research facilities for Amgen, Baxter, and Bristol-Myers Squibb as well as 2.2 Mn sq. ft of specialist discovery research, development and manufacturing facilities, Syngene works with biotech companies pursuing leading-edge science as well as multinationals, including GSK, Zoetis and Merck KGaA. For more details, visit www.syngeneintl.com. For the Company's latest Environmental, Social, and Governance (ESG)report, visit https://esgreport.syngeneintl.com/

Discovery Services

Syngene's performance in Discovery Services was impacted by the slowdown of funding in the US biotech ecosystem. In the current financial year, there are early signs of biotech funding stabilizing and industry fundamentals for pharma outsourcing remain positive for the medium-to-long term.

During the financial year, Syngene purchased a 17-acre land parcel in Genome Valley, Hyderabad, adjacent to the existing campus, to expand research operations. Construction of new research facilities will begin in FY25 after securing necessary approvals. The Company also added a biologics assay capability at the Hyderabad campus to complement the existing Drug Metabolism & Pharmacokinetics (DMPK) and Compound Management facilities.

Development Services

In Development Services, Syngene commissioned a non-GMP facility in Bangalore, which added the capability to do early-phase development projects in an agile and cost-effective manner.

Manufacturing Services

The Manufacturing Services division showed good growth and demand during the year. The highlight was conclusion of the acquisition of the biologics manufacturing facility from Stelis Biopharma Ltd. The facility is expected to be ready for operations in the second half of fiscal year 2025, subject to regulatory approvals. Once operational, it will add to Syngene's large molecule drug substance and drug product capabilities.

The Company also made good progress in the 10-year biologics manufacturing agreement with Zoetis and commissioned a state-of-the-art, digitally-enabled Quality Control laboratory to support the growing biologics operations. In the year, the commercial manufacturing facility in Mangalore received regulatory approval from the US Food and Drug Administration (US FDA) and received ISO: 50001 certification for driving sustainability in energy conservation.

Dedicated R&D Centers

Syngene operates dedicated R&D Centers for three clients: Amgen Inc., Baxter Inc and Bristol-Myers Squibb (BMS). During the year, the Dedicated R&D Centers reported a steady performance.

Subsidiary companies, associates and joint ventures

Syngene has three wholly owned subsidiaries namely Syngene USA Inc, Syngene Scientific Solutions Limited and Syngene Manufacturing Solutions Limited. The Company has no associate companies and has not formed any joint ventures.

Syngene USA Inc: Established in FY 2018, Syngene USA Inc serves as a strategic arm to expand Syngene's presence in the US market. It contributes to the Company's revenue stream with USD 7.33 Mn in revenue during FY24, accompanied by a profit before tax of USD 0.66 Mn.

Syngene Scientific Solutions Limited (SSSL): Incorporated in India in August 2022, SSSL focuses on providing contract research and clinical research services. It has emerged as an innovative player in the pharmaceutical and biotechnology sectors, offering a range of services including clinical research, R&D, and software development. SSSL recorded a revenue of INR 3,546 MN during FY24, with a profit before tax of INR 580 Mn.

Syngene Manufacturing Solutions Limited (SMSL): Also established in India in August 2022, SMSL is dedicated to the manufacturing of pharmaceutical, biopharmaceutical, and biological products. During FY24, SMSL posted a revenue of INR 0.07 Mn and reported a loss (before tax) of INR 0.38 Mn. SMSL is yet to commence operations.

A report on the performance and financial position of each subsidiary is outlined in AOC-1, which is annexed to this report as Annexure – 1 pursuant to the first proviso to Section 129(3) of the Companies Act, 2013 ('the Act') and Rules 5 and 8(1) of the Companies (Accounts) Rules, 2014. The Consolidated Financial Statements presented in this Annual Report include the financial results of the subsidiaries.

In accordance with Section 136 of the Act, the audited financial statements and related information of the Company and its subsidiaries, wherever applicable, are available on the Company's website: www.syngeneintl.com. These are also available for inspection during regular business hours at our registered office in Bangalore, India and/or in electronic mode. Any member wanting to inspect such documents is requested to contact the Company by sending an email to investor@syngeneintl.com.

The Company has formulated a policy determining material subsidiaries. This is available on the Company's website at https://www.syngeneintl.com/investors/corporate-governance/governance-reports-policies/. The Company has no material subsidiary.

Transfer to reserves

The Company has not proposed to transfer any amount to the general reserve for the year ended March 31, 2024.

Dividend

The Board has recommended a final dividend @ Rs.1.25 per share for FY24. This dividend declaration will entail a payout of Rs. 503.17 Mn and tax pay-out as applicable. The dividend, if approved at the Annual General Meeting (AGM), will be paid to those members whose name appears in the Company's Register of Members as on the record date of June 28, 2024, and the dividend pay-out date will be on or before August 05, 2024.

In compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("SEBI Listing Regulations"), the dividend distribution policy of the Company is available on the Company's website at https://www.syngeneintl.com/investors/corporate-governance/ governance-reports-policies/.

Related party contracts or arrangements

All transactions entered with related parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arm's length basis. Detailed disclosure on related party transactions as per IND AS 24 containing the name of the related parties and details of the transactions entered with such related parties have been provided as part of the notes to the financial statements provided in the Annual Report.

The Company has formulated the policy on 'Materiality of Related Party transactions and on dealing with Related Party Transactions', and the same can be accessed using the following link: at http://www.syngeneintl.com/investors/corporate-governance/governance-reports-policies/

Conservation of energy, technology absorption, foreign exchange earnings and outgo

The particulars, as prescribed under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are annexed to this Report as Annexure 2.

Change in the nature of business

There has been no change in the Company's nature of business. Further, there was no significant change in the nature of business carried on by its subsidiaries. Your Company continues to be one of the largest and fastest growing, internationally reputed, Contract Research and Manufacturing Organizations and a world-class partner delivering innovative scientific solutions.

Loans, guarantees or investments

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the Financial Statements.

Deposits

During the financial year, your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 ("Act"). Accordingly, there is no disclosure or reporting required in respect of details relating to deposits.

Credit rating

During the financial year, CRISIL Ratings Limited ("CRISIL") vide its letter dated November 28, 2023, had reaffirmed the long-term rating at "CRISIL AA+/Stable" and the short-term rating at "CRISIL A1+". ICRA Limited ("ICRA") vide its letter dated August 04, 2023, has removed from rating watch with developing implications, assigned a Stable outlook for the long-term rating, and has reaffirmed the rating at "[ICRA]AA+." The short-term rating has been reaffirmed at "[ICRA]A1+". ICRA and CRISIL have monitored the material event of the acquisition of Unit 3 from Stelis Biopharma during the year. The ratings have not been impacted and remain unchanged.

Paid-up capital

During the financial year, the paid-up share capital of the Company was increased by allotment of 5,80,500 Equity shares of Rs. 10 each to Syngene Employee Welfare Trust to enable the implementation of the Syngene Long Term Incentive Restricted Stock Units (RSU) Plan, 2020. The paid-up share capital as on March 31, 2024 stood at Rs. 4,020,150,000.

Material changes and commitments

On April 24, 2024, the Company's Board of Directors approved the allotment of 521,981 equity shares, to the Syngene Employee Welfare Trust at face value of Rs. 10 each. This action was in accordance with the shareholder endorsement received at the Annual General Meeting held on July 24, 2019, allowing the allotment of fresh equity shares up to 1.67% of the paid-up equity capital of the Company in tranches. To facilitate the implementation of the Syngene International Limited - Restricted Stock Unit Long Term Incentive Plan 2020. Following this allotment, the Company's paid-up equity share capital now stands at Rs. 4,025,369,810.

Human Resources

Syngene's multidisciplinary workforce is committed to operating safely and to world class quality standards. Talent and culture are among the key building blocks in shaping the Company into a resilient and sustainable organization. Syngene continues to focus on defined strategic areas in order to leverage the potential of the human capital, consistent with its values of excellence, integrity and professionalism. The headcount for year ending FY24 was 6510 permanent employees (including subsidiaries).

Particulars of employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Report as Annexure 4.

Particulars of Employees' Remuneration, as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report. Considering the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report, excluding the said information, is being sent to the shareholders of the Company and others entitled thereto. The information is available for inspection at the registered office of the Company during working hours up to the date of the ensuing AGM. Any shareholder interested in obtaining such information may write to the Company Secretary in this regard.

Employee stock option plan /Restricted stock units plan/Performance stock units plan

Syngene Employee Stock Option Plan 2011

The Board of Directors of the Company had formulated the Syngene Employee Stock Option Plan 2011 (hereinafter referred to as the "ESOP Plan") which was approved by the members of the Company on December 14, 2011 and further ratified by the members subsequent to the Initial Public Offering ("IPO") on December 05, 2015. The ESOP Plan is administered by the Syngene Employee Welfare Trust ("the Trust") under the instructions and supervision of the Nomination and Remuneration Committee ("NRC"). The Trust had subscribed to equity shares of the Company on 31st October 2012, using the proceeds from interest free loan of Rs. 150 million obtained from the Company. The NRC, on various occasions, has granted options to eligible employees of the Company through the Trust. During FY24, no options were granted to eligible employees under the ESOP Plan. However, 538,162 equity shares were transferred to eligible employees by the Syngene Employee Welfare Trust on exercise of stock options. The ESOP Plan complies with SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021.

The Company has discontinued granting ESOPs under the above Plan and does not intend to issue any further grants under the Plan in future. The Trust has surplus shares under this Plan due to the lapse of options granted to the employees over the years. These surplus shares may further increase due to a lapse of options in the future. In order to use the cash and surplus shares lying with the Syngene Employee Welfare Trust on account of the ESOP Plan, the Shareholders vide special resolution passed by Postal Ballot on April 23, 2023 approved the termination of the ESOP Plan, and the transfer of the cash and surplus shares to the other share benefit schemes/ plans (existing or future) implemented or to be implemented by the Company, after meeting all the obligations under the ESOP Plan.

Syngene Restricted Stock Unit ("RSU") Long Term Incentive Plan FY 2020

The shareholders, at the 26th Annual General Meeting ("AGM") of the Company held on July 24, 2019 had approved the "Syngene Restricted Stock Unit ("RSU") Long Term Incentive Plan FY 2020" (hereinafter referred to as "the RSU Plan") designed to drive performance to achieve the Board approved strategic plan. The RSU Plan covers key employees who, by virtue of their roles, influence the accomplishment of the strategic plan. The RSU Plan is administered by the Trust. The shareholders have also approved at the 26th AGM the issue and allotment of further equity shares to the Trust over a period of time for the purpose of implementation of the RSU Plan. Vide special resolution passed through postal ballot on August 30, 2020, the shareholders had approved variations to the RSU Plan to streamline the plan with similar plans adopted by group companies to achieve uniformity in the approach to rewarding employees across the group. At the Annual General Meeting held on July 20, 2022, the shareholders approved the amendment to the RSU plan by extending the scope of the RSU plan to include the employees of holding company, Biocon Limited. The terms of the modified plan are not detrimental to the interests of the employees of the Company. The RSU Plan is in compliance with the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. During the financial year, there was no change to the RSU Plan.

The Company has granted 38,032 RSUs during FY24 under the RSU Plan. 641,587 equity shares were transferred to eligible employees by the Syngene Employee Welfare Trust on exercise of stock options.

Syngene Long Term Incentive Performance Share Plan 2023 and Syngene Long Term Incentive Outperformance Share Plan 2023

The shareholders have vide special resolutions passed by postal ballot on April 23, 2023 approved Syngene Long Term Incentive Performance Share Plan 2023 ("PSP") and Syngene Long Term Incentive Outperformance Share Plan 2023 ("OSP") for grant of performance share units (PSUs) to eligible employees of the Company, subsidiary(ies) including future subsidiary(ies). The Company has granted 392,606 PSUs during FY24 under the PSP. This plan will be implemented by the Trust. The Company hasnt yet made any grants to employees under the OSP.

The details of ESOP Plan, RSU Plan and PSP form part of the notes to accounts of the Financial Statements in this Annual Report. The Company has obtained a certificate from the secretarial auditors of the Company that the plans have been implemented in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and are in accordance with the resolutions passed by the shareholders. As required under Regulation 14 of the above-mentioned regulations, the applicable disclosures as on March 31, 2024 concerning both the plans are available on the website of the Company at https://www.syngeneintl.com/investors/share-holder-services/

Corporate Governance Report

Your Company believes that good Corporate Governance emerges from the application of sound management practices, compliance with laws, coupled with adherence to the highest standards of transparency and business ethics. Integrity, transparency, fairness, accountability and compliance with the law are embedded in the Company's business practices, ensuring ethical and responsible leadership at the Board as well as the management level. Syngene's Corporate Governance report is a reflection of its robust values-led culture encompassing professionalism, integrity and excellence, which has been a key enabler in building stakeholder trust, attracting and retaining financial and human capital and meeting societal expectations.

The Company's report on corporate governance for the financial year ended March 31, 2024 as per regulation 34(3) read with Schedule V of the SEBI Listing Regulations forms part of the Annual Report.

Auditor's certificate on corporate governance

As required under Schedule V(E) of SEBI Listing Regulations, the auditors' certificate on compliance with the requirement of corporate governance is enclosed as Annexure 4 to this Report. The auditors' certificate for FY24 does not contain any qualification, reservation or adverse remarks.

Directors

The Company continues to fulfil the requirement of Board constitution as required under the Companies Act 2013 and SEBI Listing Regulations. Kiran Mazumdar Shaw will retire by rotation at the ensuing AGM and, being eligible, offers herself for re-appointment. The Board recommends her re-appointment as indicated in the AGM Notice. Her brief resume seeking re-appointment at the ensuing AGM, in pursuance of Regulation 36(3) of SEBI Listing Regulations, is annexed to the AGM Notice.

Further, during the year, Dr. Carl Decicco resigned as a Non-Executive Director of the Company with effect from the closing hours of October 25, 2023. The Board placed on record its appreciation towards the contribution by Dr. Carl Decicco as a Director

It may be noted that, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has made the following appointments effective April 01, 2024:

Sibaji Biswas (DIN: 06959449) has been appointed as an Additional Director and designated as Executive Director and Chief Financial Officer, for a period of five years effective from April 1, 2024. This appointment is subject to the approval of the shareholders within a period of three months from the date of appointment.

The Nomination and Remuneration Committee (NRC) at its Meeting held on April 23, 2024 on the basis of performance evaluation of Independent Directors and taking into account the external business environment, the business knowledge, acumen, experience and the substantial contribution made by Dr. Kush Parmar during his tenure, has recommended to the Board that continued association of Dr. Kush Parmar as Independent Director of the Company would be beneficial to the Company. Based on the above and the performance evaluation, the Board recommends the re-appointment of Dr. Kush Parmar (DIN: 09212020), as Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing from the conclusion of this AGM.

Nilanjan Roy (DIN: 02703775) has been appointed as an Additional Director in the capacity of Independent Director, effective from April 1, 2024, until the Annual General Meeting to be held in 2027. This appointment is also subject to the approval of the shareholders within a period of three months from the date of appointment.

Key Managerial Personnel

As on March 31, 2024, the Key Managerial Personnel (KMP) of the Company appointed under the provisions of Section 203 of the Companies Act, 2013, were Jonathan Hunt, Managing Director and Chief Executive Officer, Sibaji Biswas, Chief Financial Officer and Priyadarshini Mahapatra, Company Secretary and Compliance Officer.

Policy on directors' appointment and remuneration

The policy on appointment and remuneration of directors, key management personnel and other persons provides an underlying basis and guidance for human resource management, thereby aligning plans for strategic growth of the Company. The Company's Policy on Directors' Appointment and Remuneration, including the criteria for determining qualifications, positive attributes, independence and other matters, as provided under Section 178(3) of the Companies Act, 2013 is formulated by the Board on the recommendation of the Nomination and Remuneration Committee (NRC). The policy has been uploaded on the website of the Company and is accessible at https://www.syngeneintl.com/investors/corporate-governance/governance-reports-policies/

Declaration by Independent Directors

In accordance with Section 149(7) of the Act, each Independent Director has confirmed to the Company that he or she meets the criteria of independence laid down in Section 149(6) of the Act, and is in compliance with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI Listing Regulations. Further, each Independent Director has affirmed compliance with the Code of Conduct for Independent Directors as prescribed in Schedule IV of the Act. The Board has taken on record such declarations after due assessment of legitimacy.

Separate Meeting of the Independent Directors

In terms of requirements under Schedule IV of the Act and Regulation 25(3) of the Listing Regulations, four separate meetings of the Independent Directors were held during FY24. Further details are mentioned in the Corporate Governance report.

Board diversity

A diverse Board enables efficient functioning through its access to broad perspectives and diverse thought processes underpinned by a range of scientific, industrial and management expertise, gender, knowledge and geographical origins. The Board recognises the importance of diverse composition and has adopted a Board Diversity Policy, which sets out the approach to diversity. The Board diversity policy of the Company is available on the website of the Company at https://www.syngeneintl.com/investors/corporate-governance/governance-reports-policies/

Board evaluation

Pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the annual performance of the Board, its Committees, Chairperson and Individual Directors including Independent Directors was evaluated as per the criteria laid down by the Nomination and Remuneration Committee. The performance evaluation process has been designed in such a manner that helps to measure effectiveness of the entire Board, its Committees and Directors. There are various key performance areas and evaluation criteria which are measured and analysed during the performance evaluation process. The evaluation details have been laid down in the Corporate Governance Report that forms part of this Annual Report. The outcome of the Board evaluation for financial year ended 2024 was discussed by the Independent Directors, Nomination and Remuneration Committee at their respective meetings held on January 23, 2024, and January 25, 2024.

Number of meetings of the Board

The Board met 6 (six) times during the financial year under review. The details of Board meetings and attendance of the Directors are provided in the Corporate Governance Report.

Audit Committee

The Audit Committee has reviewed the accounts for the year ended March 31, 2024. The Board accepted all recommendations made by the Audit Committee.

As on March 31, 2024, the members of the Audit Committee were Paul Blackburn (Chairperson), Vinita Bali and Sharmila Abhay Karve, Independent Directors. Nilanjan Roy was appointed as a member of the Audit Committee with effect from April 11, 2024. The list and composition of the various other Board-level Committees are provided in the Corporate Governance Report.

Adequacy of internal financial control

The Company has implemented a robust internal financial controls framework within the Company with well-defined guidelines, policies, processes and structures. The Internal Financial Controls have been documented and embedded in the business processes. These control processes enable and ensure the orderly and efficient conduct of the Company's business, including safeguarding of assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information. There are control processes both in the manual and IT applications, including ERP applications, wherein the transactions were approved and recorded. Review and control mechanisms are built in to ensure that such control systems are adequate and operating effectively.

The internal control system is regularly tested and reviewed by Ernst & Young, the independent internal auditor. The internal auditor is appointed by the Audit Committee of the Board. All possible measures are taken by the Audit Committee to ensure the objectivity and independence of the Internal Auditor, including quarterly one-on-one discussions. The Company also has a management audit team which carries out internal control reviews and follow-up audits. The team is also responsible for monitoring implementation of action points arising out of internal audits.

Risk Management Policy

In compliance with Regulation 21 of the SEBI Listing Regulations, the Board of Directors has a duly constituted the Risk Management Committee ("the Committee") to oversee the enterprise-wide risk management framework.

Syngene has an enterprise risk management framework based on which the key enterprise risks, associated mitigation plans and action updates are reviewed every quarter by the Risk Management Committee. Specific risk areas are also reviewed in detail in each such meeting. The Audit Committee has additional oversight in the area of financial risks and controls. For detailed terms of reference, please refer to the Corporate Governance Report which forms part of this Annual Report.

Director's Responsibility Statement

Based on the framework of internal financial controls established and maintained by the Company, work performed by the internal, statutory and secretarial auditors, reviews performed by the management and the relevant Board Committees, the Board, in concurrence with the Audit Committee, is of the opinion that the Company's internal financial controls were adequate and effective as on March 31, 2024.

In compliance with Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge, hereby confirm the following:

In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

The Directors selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.

The Directors took proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

The Directors prepared the annual accounts on a going concern basis.

The Directors laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.

The Directors devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Auditors

Statutory Auditors

B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) were appointed at the 28th AGM held on July 21, 2021 as statutory auditors of the Company to hold office for a second term of five consecutive years, upto the conclusion of the Annual General Meeting of the Company to be held in 2026. The Auditors' Report on the Financial Statements of the Company for the year ended March 31, 2024 does not contain any qualifications, reservations or adverse remarks. The Auditor's Report is enclosed with the Financial Statements and forms part of the Annual Report.

Internal Auditors

The Board, at its meeting held on October 17, 2023, had re-appointed M/s. Ernst & Young LLP as the Company's Internal Auditors.

Secretarial Auditors

The Board pursuant to Section 204 of the Companies Act, 2013 had appointed M/s. V. Sreedharan & Associates, Practicing Company Secretaries, as Secretarial Auditors to conduct the Secretarial Audit of the Company for FY24. They have confirmed their eligibility for the re-appointment. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark and is annexed to this Report as Annexure 5.

Pursuant to the SEBI circular no. CIR/CFD/CMD/1/27/2019 dated February 8, 2019, the Annual Secretarial Compliance Report for the financial year ended March 31, 2024, issued by M/s. V. Sreedharan & Associates, Practicing Company Secretaries is attached as Annexure 6 to this Report and shall also be submitted to the stock exchanges where the shares of the Company are listed.

Reporting of fraud by auditors

During the financial year under review, no instances of fraud have been reported by the statutory auditors or secretarial auditors to the Audit Committee or to the Board pursuant to section 143(12) of the Companies Act, 2013, the details of which should form part of this report.

Annual Return

In compliance with Section 92 and Section 134(3)(a) of the Companies Act, 2013 read with applicable Rules made thereunder, the Annual Return is available on the Company's website https://www.syngeneintl.com/investors/share-holder-services/

Management Discussion and Analysis Report

As required under Regulation 34 of the SEBI Listing Regulations, the Management Discussion and Analysis Report forms part of this Annual Report.

Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility(CSR) Committee, comprising Professor Catherine Rosenberg (Chairperson), Dr Vijay Kuchroo and Vinita Bali. The Committee monitors and oversees various CSR initiatives of the Company.

Syngene's Corporate Social Responsibility (CSR) initiatives are deeply rooted in the ethos of creating lasting change through programs that champion community health, science education, empowerment of women and environmental stewardship in the communities in which we live and work. These initiatives are executed both directly and by the Biocon Foundation, an organization dedicated to developing and implementing healthcare, educational, and infrastructure projects, while also advocating for gender equality and the safety of vulnerable populations.

For transparency and accountability, Syngene's CSR policy is readily accessible on the Company website. Furthermore, stakeholders can read a report detailing the Company's CSR activities provided as Annexure 7 to this report. Through these concerted efforts, Syngene demonstrates its commitment to societal well-being and sustainable development.

Business Responsibility and Sustainability Report

Syngene adopted the Business Responsibility and Sustainability Reporting ("BRSR") introduced by the Securities and Exchange Board of India ("SEBI") containing ESG disclosures voluntarily for FY22. Continuing the journey towards sustainable development, in compliance with Regulation 34(2)(f) of the SEBI Listing Regulations, the BRSR forms part of this Annual Report and presents the ESG approach, including enhanced ESG voluntary leadership disclosures for FY24. The BRSR lays out the Company's performance against the principles of the 'National Guidelines on Responsible Business Conduct' and provides information on environmental social and governance initiatives and their impact on the Company.

Whistleblower policy/Vigil mechanism

The Company's whistleblower policy allows employees, Directors and other stakeholders to report genuine grievances, corruption, fraud, misconduct, misappropriation of assets, and non-compliance with the Code of ethics and business conduct of the Company or any other unethical practices. The policy provides adequate safeguard against victimisation to the whistleblower and enables them to raise concerns to the Integrity Committee and provides an option of direct access to the Chairman of the

Audit Committee. In order to maintain the highest level of confidentiality and foster an environment of honesty, the Company has appointed an outsourced agency Navex Global to receive complaints and co-ordinate with the whistleblower, if required. During FY24, no individuals have been denied access to the Chairman of the Audit Committee.

The Whistleblower Policy is available on the Company's website at https://www.syngeneintl.com/investors/corporate-governance/governance-reports-policies/

Disclosure under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013

Syngene has a strict Prevention of Sexual Harassment Policy (POSH) in accordance with the statutory requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). The Policy is applicable to all employees including the Company's contract employees. The Company is committed to providing a workplace that is free from discrimination, harassment and victimisation, regardless of gender, race, creed, religion, place of origin, sexual orientation of a person employed or engaged with the Company. The Internal Committee ('IC') has been constituted to consider and redress all complaints of sexual harassment at workplace. Employee sensitisation programs on POSH were conducted during the year. During the financial year, two complaints were received under the POSH Act and each one was closed within the stipulated timeline.

Significant and material orders by the regulators or courts or tribunals

During FY24 there have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Statutory disclosures

None of the Directors of the Company are disqualified as per provisions of Section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosures, as required under various provisions of the Act and SEBI Listing Regulations.

Secretarial Standard disclosure

The Company has complied with the provisions of applicable secretarial standards, issued by The Institute of Company Secretaries of India (ICSI).

Green initiative

We request all the shareholders to support the 'Green Initiative' of the Ministry of Corporate Affairs and Syngene's continued endeavours for greener environment by enabling service of Annual Report, AGM Notice and other documents electronically to your email address registered with your Depository Participant/ Registrar and Share Transfer Agent. We also request all the investors whose email ID is not registered to take necessary steps to register their email ID with the Depository Participant/ Registrar and Transfer Agent.

Acknowledgments

We would like to place on record our deep sense of appreciation to Syngene employees for their contribution and services. We would like to thank all our clients, vendors, bankers, investors, media and other business associates for their continued support and encouragement during the year.

We also thank the Government of India; the Government of Karnataka, Government of Telangana; the Ministry of Information Technology and Biotechnology; the Ministry of Commerce and Industry; the Ministry of Finance and Corporate Affairs; the Department of Scientific and Industrial Research; Central Board of Indirect Taxes and Customs; the Reserve Bank of India; the Central Board of Direct Tax; SEZs (Special Economic Zones), BIRAC (Biotechnology Industry Research Assistance Council) and all other government agencies for their support during FY24 and look forward to their continued support in future.

For and on behalf of the Board

Kiran Mazumdar Shaw

Non-Executive Chairperson

Syngene International Limited

Place: Bengaluru

Date: April 24, 2024

Annexure 1

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

PART A: Subsidiaries

S. No	Particulars	Name of the subsidiary		
		Syngene USA Inc	Syngene Scientific Solutions Limited	Syngene Manufacturing Solutions Limited
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Same as Holding Company	Same as Holding Company
2.	Reporting currency	USD	INR	INR
3.	Exchange rate on March 31, 2024	INR 83.84	NA	NA
4.	Share capital	USD 50,000/ Rs. 4.19 Mn	840.00	10.00
5.	Reserves & surplus	USD 14,68,337 / Rs. 123.11 Mn	610.56	-0.68
6.	Total assets	USD 27,33,714 / Rs. 229.19 Mn	7,685.85	9.68
7.	Total Liabilities	USD 12,15,378 / Rs. 101.90 Mn	6,235.29	0.37
8.	Investments	Nil	Nil	Nil
9.	Turnover	USD 73,32,492 / Rs. 614.76 Mn	3,545.90	0.08
10.	Profit before taxation	USD 6,66,590/ Rs. 55.89 Mn	579.90	-0.38
11.	Provision for taxation	USD 1,88,636/ Rs. 15.82 Mn	184.71	-
12.	Profit after taxation	USD 4,77,954 / Rs. 40.07 Mn	395.19	-0.38
13.	Proposed Dividend	Nil	Nil	Nil
14.	% of shareholding	100%	100%	100%
15.	Country	USA	India	India

Notes:

1. Names of subsidiaries which are yet to commence operations: Syngene Manufacturing Solutions Limited

2. Names of subsidiaries which have been liquidated or sold during the year: **None**

Part B : **Not Applicable**

Annexure-2

Conservation of energy, technology absorption and foreign exchange earnings and outgo

(Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2024)

	Power and Fuel Consumption Details	FY 24	FY 23
1.	**Electricity**		
a)	**Purchased**		
	Million Unit	88.68	97.90
	Total amount (Rs. in Mn)	481.42	644.72
	Rate/Unit (Rs.)	5.43	6.59
b)	**Captive generation**		
	HSD Quantity, KL	239.17	312.93
	Million Units	0.85	1.22
	Units / Litre	3.53	3.91
	Cost/Lit (Rs.)	62.18	116.65
	Generation cost, Rate / Unit (Rs.)	17.60	29.87
2.	**Steam**		
a)	**Furnace Oil**		
	Quantity, Tons	-	19.20
	Total amount (Rs. in Mn)	-	0.72
	Average rate Rs/Kg	-	37.7
b)	**Diesel**		
	Diesel Quantity, KL	192.20	135.91
	Total amount (Rs Mn)	12.13	10.45
	Average rate/Litres (Rs)	63.12	76.90
c)	**LPG**		
	LPG Quantity, Tons	266.46	295.78
	Total amount (Rs. in Mn)	18.56	22.34
	Average rate/Kg (Rs)	69.65	75.52
d)	**PNG**		
	PNG Quantity, (SCM)	92902	-
	Total amount (Rs. in Mn)	6.11	-
	Average rate/ (SCM) (Rs)	65.85	-

A. Energy conservation details:

S.No.	Energy conservation measure	Investment (Rs.) Million	Energy saved per Annum (Unit) Million	(Rs.) Million
1	Chilled water circulation pumps are replaced with energy efficient IE3 motors in S2, S16 & S11 blocks	2.85	0.41	2.08
2	Optimizing chilled water flow, pressure and temperature set points, resulting in energy savings of chiller power consumption in S16, S14 blocks and MSEZ.	0.04	0.31	1.64
3	Replacement of centrifugal AHU fans with energy efficient axial fans for laboratory fresh air and optimization of frequency after office hours/weekends in BSEZ and MN Park	11.30	0.64	3.23
4	Optimizing air compressor operating pressure set point in S17, S14 blocks & MSEZ as per load pattern study	0.00	0.21	1.26
5	Optimizing process vacuum pumps and hot water pumps through VFD and auto adjusting frequency based on the load demand in S14 block	0.00	0.07	0.38
6	Optimization of the steam pressure of hot water generator in S12 block to maintain rela-tive humidity by pressure controller	0.00	0.00	2.21
7	Office AC units are connected to the bridle smart controller to optimize power consump-tion in S1, S12 blocks and Semicon Park	0.57	0.08	0.62
8	Implemented motion sensors with dim and bright controllers for all corridors LED light-ings in S18 & S12 blocks	0.65	0.05	0.24
9	Cooling tower fan operation was optimized based on the temperature controller with respect to the chiller condenser temperature in S20A block	0.00	0.23	1.16

S.No.	Energy conservation measure	Investment (Rs.) Million	Energy saved per Annum (Unit) Million	(Rs.) Million
10	Air handing units' operations are controlled through auto timer after office hours with reduced frequency of the motor in S2, S12 and S20A blocks	0.90	0.25	1.28
11	Optimization of chiller, cooling tower fan & cooling tower pump circulation pumps after office hours and weekends through auto tim-er with reduced frequency of the motor in S20A & S14 blocks	0.00	0.10	0.50
12	Converting VRV (Variable refrigerant volume) multi split air conditioners into chilled water flow-based chillers to optimize iKW/TR of chiller units in MSEZ & S11 block	2.00	0.12	0.78
13	Compressed air line separation for nitrogen and process pipeline to optimize the com-pressed air pressure in S2 block	2.00	0.09	0.47
14	Optimizing the blower operation in ETP aera-tion tank by implementing DO (Dissolved ox-ygen) sensor in MSEZ facility	0.24	0.04	0.27
15	S20A block BMT Autoclave chilled water recir-culation provision has been made through heat exchanger to optimize the heat load	0.18	0.03	0.14
16	Implemented VFD (Variable frequency drive) for Humidifier unit to optimize the heat load of AHU in S12 block	0.025	0.01	0.05
	Total	**20.75**	**2.64**	**16.31**

(a) Conservation of energy

(i) the steps taken or impact on conservation of energy:

- Energy index is benchmarked to all operational units and being tracked through energy management system.
- Energy conservation program is being reviewed once in fortnight and implementing the energy savings ideas through KAIZENs and awarding them.
- MSEZ team participated in National level competition organized by M/s CII and won the prize for best energy efficiency
- MSEZ team got ISO 50001 certification from TUV for energy management system.

(ii) the steps taken by the company for utilizing alternate sources of energy: Green power projects with 26% equity share model (10.4MW-Wind power plant & 27.45mwdc Solar power plant) were commissioned. 212KW Roof top plant was commissioned. Semicon Park, Unit-2, BSEZ are registered with state electricity board for green energy tariff scheme. This helped to address 91% of energy from renewable sources, thereby avoiding 58637 metric tons of CO_2 emission. Energy conservation projects are ongoing every year. During FY24 2.64 million units of energy were saved thereby avoiding 1892 metric tons of CO_2 emission.

(iii) the capital investment on energy conservation equipment.

Rs. 20.75 Mn capital investment made for energy conservation equipment

B. Technology absorption, adoption and innovation

No technology imported.

C. Foreign exchange earnings and outgoings

Foreign exchange earnings and outgoings for the year*:	FY24 (Rs. in Million)	FY23 (Rs. in Million)
Foreign exchange earnings	30,435	30,712
Foreign exchange outgoings	6,321	8,048

** For details please refer to information given in the notes to the financial statements of the Company.*

For and on behalf of the Board

Date: April 24, 2024

Kiran Mazumdar Shaw

Place: Bangalore

Chairperson

DIN: 00347229

Annexure 3

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(1) Ratio of the remuneration of each Director/Key Managerial Personnel (KMP) to the median remuneration of all the employees of the Company for the Financial Year 2023-24:

Sl. No.	Name of Director/KMP and Designation	% increase in remuneration in FY24	Ratio of the remuneration of each Director/KMP to the median remuneration of all the employees (1)
Non-Executive Directors			
1	Kiran Mazumdar Shaw	14.76	11.27
2	Dr. Carl Decicco*	NA	4.25
3	Professor Catherine Rosenberg	11.84	9.88
Executive Director			
4	Jonathan Hunt, CEO	68.19	170.03
Independent Directors			
5	Vinita Bali	13.85	10.28
6	Dr. Kush Parmar	18.40	7.71
7	Paul Frederick Blackburn	15.27	10.87
8	Sharmila Abhay Karve	11.59	10.08
9	Dr. Vijay Kuchroo	12.96	8.90
Key Managerial Personnel			
10	Sibaji Biswas	45.03	57.78
11	Priyadarshini Mahapatra	22.59	7.44

**Dr. Carl Decicco resigned from the position of Non-executive Director w.e.f. October 25, 2023. His remuneration pertains to the period till the date of his resignation i.e. October 25, 2023 and accordingly is not comparable with the previous financial year.*
The remuneration paid to Non-Executive Directors (including Independent Directors) includes commission, and sitting fees and is based on the position they occupied in the various committees and meetings attended by them during the FY24.
The remuneration does not include perquisite value on account of stock options. The above details are on accrual basis.
Jonathan Hunt's remuneration is paid in GBP. The increase in remuneration includes currency rate fluctuation also..

Notes:

1. **The ratio of remuneration to median remuneration is based on remuneration paid during the period April 1, 2023 to March 31, 2024**

The percentage increase in the median remuneration of employees in the Financial Year	16.72%
The number of permanent employees on the rolls of Company as on March 31, 2024 (on stanalone basis)	5,572

2. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

   Average percentage increase in salary of the Company's employees was at 8% during the merit cycle of 2024. Increase in managerial remuneration is already shown in the data presented above. KMP salary increases are decided based on the Company's performance, individual performance, prevailing industry trends and benchmarks. The Company also uses a mix of fixed, variable and ESOP based compensation on a mid-to-long-term basis.

3. **Affirmation**

   It is hereby affirmed that remuneration paid for FY 24 was according to the Company's Policy on Director's Appointment and Remuneration.

For and on behalf of the Board

Date: April 24, 2024

Place: Bangalore

Kiran Mazumdar Shaw

Non-Executive Chairperson

DIN: 00347229

Annexure 4

Independent Auditors' Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO THE MEMBERS OF SYNGENE INTERNATIONAL LIMITED

1 This certificate is issued in accordance with the terms of our engagement letter dated 14 September 2021 and addendum to the engagement letter dated 22 March 2024..

2 We have examined the compliance of conditions of Corporate Governance by Syngene International Limited ("the Company"), for the year ended 31 March 2024, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3 The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4 Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5 Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2024.

6 We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7 We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8 In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

9 We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10 The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W – 100022
G Prakash
Partner
Membership No: 099696
ICAI UDIN: 24099696BKGPR05858

Place: Bengaluru
Date: 24 April 2024

Annexure 5

Form No. MR-3

Secretarial Audit Report

For the Financial Year Ended March 31, 2024

[Pursuant to Sub Section (1) of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Syngene International Limited
Biocon SEZ, Biocon Park, Plot.No.2 & 3
Bommasandra Industrial Area, IV Phase,
Jigani Link Road, Bengaluru - 560099

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Syngene International Limited** having a **CIN: L85110KA1993PLC014937**, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on March 31, 2024 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings. There was no Overseas Direct Investment done by the Company during the audit period;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018**;(Not applicable to the Company during the Audit period)**

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021**(Not Applicable to the Company during the Audit Period);**

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021**(Not Applicable to the Company during the Audit Period);**

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the Audit Period)**; and

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have relied on the representations made by the Company and its officers for compliance under other laws specifically applicable to the industry to which the Company belongs, as under.

(vi) Other Laws Applicable Specifically to the Company namely:

a. Drugs and Cosmetics Act, 1940.

b. Bio-Medical Waste Management Rules, 2016.

c. ICH Guidelines (this is the base on which US FDA/ EU Guidelines etc. are created on).

d. UCPMP (Currently voluntary – however proposed to be made mandatory).

e. Narcotic Drugs and Psychotropic Substance Act, 1985.

f. Ethical Guidelines for Biomedical Research on Human Participants, 2006.

g. The Poisons Act, 1919.

h. Prevention of Cruelty to Animals Act, 1960 and the Breeding of and Experiments on Animals (Control and Supervision) Rules, 1998.

i. Atomic Energy Act, 1962 and Atomic Energy (Radiation Protection) Rules, 2004.

Based on the review of systems and processes adopted by the Company and the Statutory Compliance self-certification by the Managing Director of the Company which was taken on record by the Board of Directors, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as per the list of such laws as mentioned above in Point No. vi.

We have also examined compliance with the applicable clauses of the following:

a. Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.

b. Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited (NSE).

During the audit period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have not examined compliance with applicable Financial Laws, like Direct and Indirect Tax Laws, since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the Directors to schedule the Board Meetings, including agenda and detailed notes on agenda, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous, and no dissenting views have been recorded.

We further report that during the year under review, there were no events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For V SREEDHARAN & ASSOCIATES

(Devika Sathyanarayana)
Partner
FCS: 11323; CP No. 17024
Address: No. 291, 1st Floor, 10th Main Road
3rd Block, Jayanagar, Bengaluru – 560011
Peer Review Certificate No. 5543/2024
UDIN: F011323F000227211

Place: Bengaluru
Date: 24.04.2024

This letter which is annexed herewith as Annexure and it forms an integral part of the Secretarial Audit Report Form MR-3 and has to be read along with it.

'Annexure'

To

The Members

Syngene International Limited

Biocon SEZ, Biocon Park, Plot No. 2 & 3

Bommasandra Industrial Area, IV Phase

Jigani Link Rd, Bengaluru - 560099

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **V SREEDHARAN & ASSOCIATES**

(Devika Sathyanarayana) Place: Bengaluru

Partner Date: 24.04.2024

FCS: 11323; CP No. 17024 UDIN: F011323F000227211

Address: No. 291, 1st Floor, 10th Main Road

3rd Block, Jayanagar, Bengaluru-560011

Peer Review Certificate No. 5543/2024

Annexure 6

Secretarial compliance report of Syngene International Limited for the year ended March 31, 2024

[Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Syngene International Limited (hereinafter referred as 'the listed entity'), having its Registered Office at Biocon SEZ, Biocon Park, Plot.No.2 & 3, Bommasandra Industrial Area IV Phase, Jigani Link Road, Bengaluru - 560099.

Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of secretarial review, we hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined:

(a) all the documents and records made available to us and explanation provided by the listed entity;

(b) the filings/ submissions made by the listed entity to the stock exchange;

(c) website of the listed entity;

(d) any other document/ filing, as may be relevant, which has been relied upon to make this certification;

for the year ended March 31, 2024 ("Review Period") in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include: -

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Review Period);**

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Review Period);**

(e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not Applicable to the Company during the Review Period);**

(g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(h) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the Review Period);**

(j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

(k) And circulars/ guidelines issued thereunder;

We hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No	Particulars	Compliance Status (Yes/No/NA)	Observations/ remarks by PCS
1.	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI) as notified by the Central Government under Section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	NIL
2.	**Adoption and timely updation of the Policies:** ▪ All applicable policies under SEBI Regulations are adopted with the approval of the Board of Directors of the listed entity. ▪ All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations / circulars / guidelines issued by SEBI.	Yes Yes	NIL NIL
3.	**Maintenance and disclosures on Website:** ▪ The Listed entity is maintaining a functional website. ▪ Timely dissemination of the documents/ information under a separate section on the website. ▪ Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website.	Yes Yes Yes	NIL NIL NIL
4.	**Disqualification of Director:** None of the Directors of the Company are disqualified under Section 164 of the Companies Act, 2013 as confirmed by the listed entity.	Yes	NIL
5.	**Details related to Subsidiaries of listed entities have been examined w.r.t:** (a) Identification of material subsidiary companies. (b) Disclosure requirement of material subsidiaries.	Not applicable	Your company has no material subsidiaries. Hence, this point is not applicable during the review period.
6.	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	NIL
7.	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors, and the Committees at the start of every financial year/ during the financial year as prescribed in SEBI Regulations.	Yes	NIL
8.	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions. (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved / ratified / rejected by the Audit committee.	Yes Not applicable	All the related party transactions entered by the listed entity during the review period were duly approved by the Audit Committee
9.	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	NIL
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	NIL
11.	**Actions taken by SEBI or Stock Exchange(s), if any:** No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	NIL
12	**Additional Non-compliances, if any:** No additional non-compliance observed for all SEBI regulation / circular / guidance note etc.	Yes	NIL

Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sl No.	Particulars	Compliance Status (Yes/No/N.A)	Observations/ Remarks by PCS*
1.	Compliances with the following conditions while appointing/re-appointing an auditor.		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	**Not applicable**	The auditors of the listed entity have not resigned during the audit period.
2.	Other conditions relating to resignation of statutory auditor		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee: a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings. b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable. c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor. ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.	**Not applicable**	The Auditors of the listed entity have not reported any concerns during the audit period.
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	**Not applicable**	The auditors of the listed entity have not resigned during the audit period.

a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder except in respect of matters specified below; **Not Applicable**

Sl. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amou-nt	Obser-vations/ Re-marks of the Practicing Company Secretary	Management Response	Remarks

b) The listed entity has taken the following actions to comply with the observations made in previous reports; **Not Applicable**

Sl. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Obser-vations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
Not Applicable										

Assumptions & Limitation of Scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **V SREEDHARAN & ASSOCIATES**
Company Secretaries
(Devika Sathyanarayana)
Partner
FCS: 11323; CP No. 17024

Place: Bengaluru
Date: 24.04.2024

Address: No. 291, 1st Floor, 10Th Main Road
3rd Block, Jayanagar, Bengaluru-560011
Peer Review Certificate No. 5543/2024
UDIN: F011323F000227088

Annexure 7

Annual Report on CSR activities to be included in the Board's Report for financial year ended March 31, 2024

1. Brief outline on CSR Policy of the Company	The Company's CSR activities are designed to foster social and economic equity primarily focused on community health, environmental sustainability, research and science education. Activities will be evidence-based and delivered in conjunction with experienced partners to ensure that the outcomes are positive, measurable and self-sustaining. Where possible, activities will be designed to foster volunteering opportunities for Syngene employees. The details of our CSR Policy are available on our website www.syngeneintl.com.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Prof. Catherine Rosenberg	Chairperson/Non-Executive Director	4	4
2	Vinita Bali	Member / Independent Director	4	4
3	Dr. Vijay Kuchroo	Member / Independent Director	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company.	CSR committee	https://www.syngeneintl.com/investors/corporate-governance/committees-to-the-board/
	CSR Policy	https://www.syngeneintl.com/investors/corporate-governance/governance-reports-policies/
	CSR projects	https://www.syngeneintl.com/investors/share-holder-services/

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

- As a best practice, a third-party impact assessment was conducted for experiential science learning initiative for government school students in Anekal, Bengaluru.
- The objectives of the impact assessment study were as follows:
- To evaluate the overall impact and effectiveness of the programme in promoting science education and its associated outcomes
- To assess the influence of the programme on scientific knowledge, interest in science, and overall academic performance of students
- To examine the impact on pedagogical practices of teachers and their ability to effectively engage students in scientific learning through interactive classes.
- To provide evidence-based insights and recommendations to enhance the effectiveness of the programme and maximize its positive impact on science education.
- In order to assess the inclusivity, relevance, appropriateness, coherence, effectiveness, potential impact, and efficiency of the program, an IRECS framework was used. This framework was instrumental in generating pertinent insights, including identifying on-the-ground challenges extracting valuable lessons and formulating recommendations for program implementation.
- The study utilised a mixed methodology, incorporating both quantitative and qualitative approaches. The research aimed to assess the effectiveness of these interventions by employing research designs that captured the full impact.
- A comparative analysis was undertaken to assess the learning outcomes achieved by students exposed to experiential learning sessions delivered through Mobile Science Lab (MSL) to evaluate the overall effectiveness of the program delivery. The analysis involved comparing the level of retained knowledge between students attending the MSL sessions (referred to as the 'Treatment Group') and students from neighbouring government schools who did not participate in the MSL sessions (referred to as the 'Control Group').
- The results showed statistically significant differences in the patterns of percentage scores across four indicators: Scientific Knowledge, Scientific Thinking, Scientific Attitude, and Proactiveness, between the Treatment and Control groups. In the test conducted to assess the learning outcomes, it was evident that treatment schools achieved higher scores compared to control schools. In particular, 9th-grade students benefiting from ongoing MSL sessions demonstrated enhanced academic performance compared to other grades due to significant exposures over the years.

Parameters	Control Schools	Treatment Schools
Scientific Knowledge	35%	38%
Scientific Thinking	59%	58%
Scientific Attitude	20%	30%
Proactiveness	30%	45%
Total Marks	37%	40%

Link to full version of third-party impact assessment report:

5. (a) Average net profit of the company as per sub-section (5) of section 135	Rs. 5178 Mn
(b) Two percent of average net profit of the company as per sub-section (5) of section 135	Rs. 104 Mn
(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	-
(d) Amount required to be set-off for the financial year, if any	-
(e) Total CSR obligation for the financial year [((b)+(c)-(d)]	Rs. 104 Mn

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	Rs. 104 Mn
(b) Amount spent in Administrative Overheads	-
(c) Amount spent on Impact Assessment, if applicable.	Rs. 1 Mn
(d) Total amount spent for the Financial Year [(a)+(b)+(c)]	Rs. 104 Mn

(e) CSR amount spent or unspent for the Financial Year:

Total amount spent for the financial year (in Rs. Mn)	Amount Unspent (in Rs. Mn)				
	Total amount transferred to Unspent CSR Account as per sub section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub section (5) of section 135		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
No unspent funds for FY24					

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in Rs. Mn)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	Not applicable for FY24
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs. Mn)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs. Mn)	Amount Spent in the Financial Year (in Rs. Mn)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs. Mn)	Deficiency, if any
					Amount (in Rs. Mn)	Date of Transfer		
1	FY2023	16	16	6	0		10	0
2	FY2022	53	12	12	0		0	0
3	FY2021	21	3	3	0		0	0

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**
   ☐ Yes ☑ No

   Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NIL

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135:** Not Applicable

Catherine Rosenberg
(Chairperson CSR Committee)
DIN: 06422834

Jonathan Hunt
Managing Director & Chief Executive Officer
DIN: 07774619