

Board's Report

Dear Members,

Your Directors are pleased to present the 30th Annual Report of your Company, along with the Audited Financial Statements and Auditor's Report for the financial year ended 31st March, 2023. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

Financial review

Your Company's performance during FY23, compared to the previous year is summarised below.

Particulars	(Rs. in Million)	
	March 31, 2023	March 31, 2022
Total revenue	32,644	26,542
Total expenditure	22,592	18,080
Profit before depreciation, finance costs, exceptional items and tax expense	10,052	8,462
Less: Depreciation & interest	4,043	3,338
Profit before exceptional items and tax expense	6,009	5,124
Add: Exceptional items	-	(307)
Profit before tax expense	6,009	4,817
Less: Tax expenses	1,279	879
Profit for the year	4,730	3,938
Other comprehensive income	(972)	433
Total comprehensive income	3,758	4,371
Profit for the year excluding exceptional item	4,730	4,245

Key highlights of the Company's financial performance during FY23 are as follows:

- Revenue increased by 23% (from Rs. 26,542 Mn to Rs. 32,644 Mn)
- Earnings before interest tax depreciation and amortisation (EBITDA) increased by 19% (from Rs. 8,462 Mn to Rs. 10,052 Mn)
- Profit after tax increased by 20% (from Rs. 3,938 Mn to Rs. 4,730 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 Limited is an integrated research, development and manufacturing services organisation serving the global pharmaceutical, biotechnology, nutrition, animal health, consumer goods and specialty chemical sectors. Headquartered in India and listed on the National Stock Exchange of India Limited and Bombay Stock Exchange, the operations are driven by its highly qualified teams comprising

~6000 scientists and its state-of-the-art facilities, spread over 2.2 million sq. ft., across three locations in India: Bangalore, Hyderabad and Mangalore. Syngene has four business divisions: Discovery Services, Development Services, Manufacturing Services and Dedicated Centers.

Discovery Services

Discovery Services witnessed a healthy demand environment throughout the year as clients continued to make up the ground they lost during the pandemic and bring new projects forward. Discovery Chemistry, in particular, saw buoyant customer demand. Synvent, Syngene's integrated drug discovery platform, showed sustained growth during the year. The portfolio, which currently stands at 18 integrated programs, witnessed encouraging demand from emerging biotech companies.

During the year, Syngene's second campus in Hyderabad played an increasingly important role in Discovery Chemistry operations, now grown to over 900 scientists and got more expansion plans. With the commissioning of the new DMPK labs, the Hyderabad facility started Discovery Biology services

during the year. Syngene also commissioned a new PROTAC lab in Hyderabad during FY23. PROTAC is part of Syngene's novel drug discovery strategy for clients involved in the treatment of cancer.

Syngene's proprietary AI (Artificial Intelligence) platform Syn.AI™ was launched during the year. The platform enables a deeper understanding of disease and network biology to identify and prioritise targets. It evaluates targets on multiple parameters pertaining to relevancy, druggability, and safety, thereby decreasing the later-stage attrition.

The Discovery Services division cleared many client and regulatory audits during the year, notably the AAALAC's (Association for Assessment and Accreditation of Laboratory Animal Care) full accreditation for its animal laboratory facility.

Development Services

In Development Services, repeat orders from existing clients, as well as an increase in the number of collaborations with emerging biopharma companies, drove a robust performance during the year. Syngene continued to invest in new infrastructure and capability development to match its growing customer demands. During FY23, the Company commissioned a kilo lab to expedite formulation and process development work and a state-of-the-art sterile Fill-Finish facility for small-scale clinical manufacturing. With the commissioning of the Fill-Finish facility, Syngene can offer end-to-end solutions in drug product development and manufacturing for clinical supplies of small and large-molecule injectables.

The highlight of the year for Development Services is the successful tech transfer and completion of registration batches leading to two Abbreviated New Drug Application (ANDA) filings by clients.

Manufacturing Services

The Manufacturing Services division showed good growth and demand during the year. The highlight was the long-term agreement with Zoetis. The agreement, initially centred on Librela®, paves the way for development and manufacturing of other molecules in the coming years and is expected to be worth up to USD 500 Mn to Syngene over 10 years, subject to regulatory approvals and market demand. The Zoetis deal will leverage the sustained investments Syngene has made in developing world-class biologics production facilities. Manufacturing Services also completed the inspection of its biologics facilities by the US FDA, EMA and MHRA during the year.

The small molecule manufacturing facility in Mangalore is on track to obtain the key regulatory approvals around the mid of 2023. During the year, the Mangalore facility received ISO: 50001 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. Syngene commissioned a new yeast display facility to accelerate the advancement of Amgen's R&D projects. FY24 will mark the 25th year of Syngene-BMS collaboration.

Other business updates

Joydeep Kant joined the Company in November 2022 as SVP of Development Services. As a member of the Executive Committee, Joydeep drives Syngene's Development Services division connecting upstream Discovery Services programs through the development process to ensure a smooth transition into commercial manufacturing. Andrew Webster joined Syngene in December 2022 as the Chief Human Resources Officer (CHRO) and a member of the Executive Committee.

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 neither has any associate companies nor has formed any joint venture.

Syngene USA Inc. was incorporated in FY 2018, to help the Company have a firm foothold in the US market and allow easy access to the Company's clients based in that region. During FY23, Syngene USA Inc, posted a revenue of Rs. 453 mn and reported a profit(before tax) of Rs. 41 mn. Syngene Scientific Solutions Limited (SSSL) was incorporated on August 10, 2022 in India and is engaged in Contract Research and Clinical research services. Syngene Manufacturing Solutions Limited (SMSL) was incorporated on August 26, 2022 in India to carry on the business of manufacturing pharmaceutical, biopharmaceutical and biological products of any kind. During FY23, no revenue was generated in SSSL and SMSL as both Companies were yet to start their 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.

Further, 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 desirous of inspecting such documents is requested to write to 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, 2023.

Dividend

The Board has recommended a final dividend @ 12.50% i.e. Rs. 1.25 per share (comprising a regular dividend of Re.0.50 per share and a special additional dividend of Re. 0.75 per share to mark the 30th anniversary of the founding of the Company in November 1993) for FY23. The total dividend pay-out will amount to approximately Rs. 502.52 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 30, 2023, and the dividend pay-out date will be on or before August 07, 2023.

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 except for one transaction with a wholly-owned subsidiary, which was approved at book value as per the methodology defined under the Income Tax Act, details of which are mentioned in the Form AOC-2 attached as Annexure 2 to the Board's Report. 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 3.

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 Organisation and 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 FY23, 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 year, CRISIL Ratings Limited ("CRISIL") vide its letter dated November 30, 2022, had removed the long-term rating from watch with developing implications and has reaffirmed the long-term rating at "CRISIL AA+/Stable". The short-term rating has been reaffirmed at "CRISIL A1+". ICRA Limited ("ICRA") vide its letter dated November 17, 2022, has removed the short-term rating from watch with developing implications and has reaffirmed the short-term rating at "ICRA A1+". The long-term rating has been reaffirmed at "ICRA AA+ on watch with developing implications".

Paid-up capital

During the financial year, the paid-up share capital of the Company was increased by allotment of 6,38,000 Equity shares at Rs. 10 each to Syngene Employee Welfare Trust under the Syngene Long Term Incentive Restricted Stock Units (RSU) Plan, 2020. The paid-up share capital as on March 31, 2023 stood at Rs. 4,014,345,000.

Material changes and commitments

On April 26, 2023 the Board of Directors of the Company approved the allotment of 580,500 equity shares of Rs. 10 each

of the Company to Syngene Employee Welfare Trust at face value pursuant to shareholders' approval at the Annual General Meeting held on July 24, 2019 to allot fresh equity shares upto 1.67% of the paid-up equity capital of the Company in tranches for the purpose of implementation of the Syngene International Limited- Restricted Stock unit Long Term Incentive Plan FY 2020. Consequent upon the aforesaid allotment, the paid-up equity share capital of the Company stands at Rs. 4,020,150,000.

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 organisation. 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 FY23 was 6,847 permanent employees, including more than 6,000 scientists.

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

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 October 31, 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 the financial year, there was no change in the ESOP Plan. During FY23, no options were granted to eligible employees under the ESOP Plan. However, 7,01,066 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 and 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 said Plan in future. The Trust has some surplus shares under this Plan, which has arisen 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.

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. Further, 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.

The Company has granted 89,704 RSUs as on March 31, 2023 under the RSU Plan. 8,17,184 equity shares were transferred to eligible employees by the Syngene Employee Welfare Trust on exercise of stock options.

The details of both plans 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 both 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, 2023 with respect to both the plans are available on the website of the Company at <https://www.syngeneintl.com/investors/share-holder-services/>

The shareholders have vide special resolutions passed by Postal Ballot on April 23, 2023 approved Syngene Long Term Incentive Performance Share Plan 2023 and Syngene Long Term Incentive Outperformance Share Plan 2023 for grant of performance share units (PSUs) to eligible employees of the Company, holding company, subsidiary(ies) including future subsidiary(ies). The said new Plans will be implemented by the Trust.

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 value-led culture encompassing professionalism, integrity and excellence, which has been a key enabler in building stakeholders' trust, attracting and retaining financial and human capitals and meeting societal expectations.

The Company's report on corporate governance for the financial year ended March 31, 2023 as per regulation 34(3) read with Schedule V of the SEBI Listing Regulations forms part of the Annual Report.

Auditors' 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 5 to this Report. The auditors' certificate for FY23 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. Professor Catherine Rosenberg 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, in pursuance of Regulation 36(3) of SEBI Listing Regulations, is annexed to the AGM Notice.

Key Managerial Personnel

As on March 31, 2023, the Key Managerial Personnel (KMP) of the Company appointed under the provisions of Section 203 of the Companies Act, 2013, are 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 managerial 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 FY23. 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 FY23 was discussed by the Independent Directors, Nomination and Remuneration Committee at their respective meetings held on January 17, 2023 and January 23, 2023.

Number of meetings of the Board

The Board met 5 (five) times during the 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, 2023. The Board accepted all recommendations made by the Audit Committee.

The members of the Audit Committee are Paul Blackburn (Chairman), Vinita Bali and Sharmila Abhay Karve, Independent Directors. 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

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.

Directors' 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, 2023.

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:

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

- (c) 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.
- (d) The Directors prepared the annual accounts on a going concern basis.
- (e) The Directors laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.
- (f) 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. 101248WW-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, 2023 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 July 20, 2022, had re-appointed M/s. Ernst & Young LLP as the Company's Internal Auditors for the period up to December 31, 2023.

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 FY23. 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 6.

Pursuant to the SEBI circular vide no. CIR/CFD/CMD/1/27/2019 dated February 8, 2019, the Annual Secretarial Compliance Report for the financial year ended March 31, 2023, issued by M/s. V. Sreedharan & Associates, Practicing Company Secretaries is attached as Annexure 7 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 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/statutory-disclosures-fy2023/>

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 CSR initiatives are based on the principle of making enduring impact through programs that promote education, science, social and economic inclusion and environmental sustainability. The Company is committed to innovation, science, affordability and access to healthcare. In line with this commitment and as a socially responsible organisation, the Company has always invested in CSR programs aimed at making a difference in the lives of marginalised communities. Syngene's CSR programs pivot around social welfare, environmental sustainability, healthcare and promoting education in the fields of science and medicine. The Company's CSR activities this year have been executed directly and through Biocon Foundation. Biocon Foundation develops and implements healthcare, educational, infrastructure, rural development projects, promotes gender equality and safety of vulnerable sections of society. The Company's CSR policy is available on its website at <https://www.syngeneintl.com/investors/corporate-governance/governance-reports-policies/>. A detailed report on CSR activities is annexed to this Report as Annexure 8.

Business Responsibility and Sustainability Report

Syngene had 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 FY23, to engage more meaningfully with stakeholders. The BRSR indicates 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 impacts on the Company.

Whistle Blower Policy/Vigil Mechanism

The Company's whistle blower 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 the complaints and co-ordinate with the whistleblower, if required. During FY 23, 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. The Policy is applicable to all employees including the Company's contractual 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. In FY23, a total of 2 complaints were received and closed within the stipulated timeline.

Significant and material orders by the regulators or courts or tribunals

During FY23 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 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 FY23 and look forward to their continued support in future.

For and on behalf of the Board

Kiran Mazumdar Shaw

Place: Bangalore

Chairperson

Date: April 26, 2023

DIN: 00347229

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

(Rs. in Mn.)

S. No	Particulars			
1.	Name of the subsidiary	Syngene USA Inc	Syngene Scientific Solutions Limited	Syngene Manufacturing Solutions Limited
2.	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
3.	Reporting currency	US\$	INR	INR
4.	Exchange rate on March 31, 2023	INR 82.18	NA	NA
5.	Share capital	US\$ 50,000/ ₹4.10	210	10
6.	Reserves & surplus	US\$ 9,90,383/ ₹81.38	(41.64)	Nil
7.	Total assets	US\$ 21,83,257/ ₹179.42	237.99	10
8.	Total Liabilities	US\$ 11,42,874/ ₹93.92	69.63	Nil
9.	Investments	Nil	Nil	Nil
10.	Turnover	US\$ 55,17,593/ ₹453.43	0.24	Nil
11.	Profit before taxation	US\$ 5,01,472/ ₹41.21	(41.64)	Nil
12.	Provision for taxation	US\$ 1,58,364/ ₹13.01	Nil	Nil
13.	Profit after taxation	US\$ 3,43,108/ ₹28.19	(41.64)	Nil
14.	Proposed Dividend	Nil	Nil	Nil
15.	% of shareholding	100%	100%	100%
16.	Country	USA	India	India

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: Syngene Manufacturing Solutions Limited
- Names of subsidiaries which have been liquidated or sold during the year: **None**

Part B : **Not Applicable**

Annexure-2

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

- (a) Name(s) of the related party and nature of relationship: Syngene Scientific Solutions Limited (SSSL), Wholly owned subsidiary
- (b) Nature of contracts/arrangements/transactions: Slump sale of Hyderabad operations of the Company to SSSL
- (c) Duration of the contracts/arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Slump sale of Hyderabad operations of the Company to SSSL for a consideration not exceeding Rs. 4,000 Million. The transaction was approved at book value as per the methodology defined under the Income Tax Act.
- (e) Justification for entering into such contracts or arrangements or transactions: SSSL has a roadmap to evolve as a premium destination for cutting-edge drug discovery research. As a part of this roadmap, it is planned to undertake all research-related activities in SSSL. The slump sale of the Hyderabad operations to SSSL is a step towards establishing it as a centre of excellence in drug discovery and will, in turn create a connected and integrated approach towards multiple facets of the drug discovery process.
- (f) Date of approval by the Board: January 23, 2023
- (g) Amount paid as advances, if any: NIL
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable

2. Details of material contracts or arrangements or transactions at arm's length basis – Not Applicable

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

For and on behalf of the Board

Kiran Mazumdar Shaw

Chairperson

DIN: 00347229

Place: Bangalore

Date: April 26, 2023

Annexure 3

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, 2023)

Power and Fuel Consumption Details	FY 23	FY 22
1. Electricity		
a) Purchased		
Million Unit	97.90	85.22
Total amount (Rs. mn)	644.72	588.53
Rate/Unit (Rs.)	6.59	6.90
b) Captive generation		
HSD Quantity, KL	312.93	303.22
Million Units	1.22	1.18
Units / Litre	3.91	3.90
Cost/Litre (Rs.)	116.65	70.11
Generation cost, Rate / Unit (Rs.)	29.87	17.97
2. Steam		
a) Furnace Oil		
Quantity, Tons	19.20	-
Total amount (Rs. mn)	0.72	-
Average rate Rs/Kg	37.7	-
b) LDO		
LDO Quantity, KL	135.91	355.91
Total amount (Rs Mn)	10.45	18.27
Average rate/Litre (Rs)	76.90	51.33
c) LPG		
LPG Quantity, Tons	295.78	274.83
Total amount (Rs Mn)	22.34	18.06
Average rate/Kg (Rs)	75.52	65.71

A. Conservation of energy

S. No.	Energy conservation measure	Investment	Energy saved per Annum	
		(Rs.) Million	(Unit) Million	(Rs.) Million
1	Implemented lean mode operation of fresh air & exhaust AHU for fume hoods in S2, S16 and Hyderabad facilities	0	1.5	9.9
2	Implemented VFD (Variable frequency drive) for heat pump water circulation motors and chilled water primary motors at optimum frequency in S20A	1.5	0.21	1.36
3	Operation optimisation of exhaust blowers of scrubbers through timer automation in S20A and S17	0.03	0.05	0.32
4	AHU motors operation optimisation by reducing the frequency and controlled through timers as per Lab occupancy in S16 & S19.	0.02	0.04	0.26
5	Acoustic leak detection advanced instrument used to detect and arrest the compressed air leakage and compressed air input pressure for Nitrogen plant has been reduced by 1bar without affecting the quality parameters in S16	0.05	0.06	0.40
6	Implemented motion sensors for lighting control in S2, S16 and Hyderabad facilities.	0.58	0.05	0.33
7	Utility chiller primary pump pipeline modified from open loop to closed loop system and thereby stopped the secondary pump usage in MSEZ.	0.04	0.8	5.3
8	Implemented VFD (Variable frequency drive) for QA/QC & API hot water pump and RO permeate pump in MSEZ	0.44	0.84	5.55
9	Installed temperature controller to optimise the cooling tower fan operation in MSEZ	0.04	0.2	1.32

(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 and awarding them.
- MSEZ team participated in National level competition organised 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. 250KW Roof top plant was commissioned. This helped to address 75% of energy from renewable sources, thereby avoiding 52,834 metric tons of CO₂ emission. Energy conservation projects are ongoing every year. During FY23 3.75 million units of energy were saved thereby avoiding 2,683 metric tons of CO₂ emission.

(iii) the capital investment on energy conservation equipments.

Rs. 2.7Mn capital investment made for energy conservation equipments.

B. Technology absorption, adoption and innovation

No technology imported.

(i) the efforts made towards technology absorption;

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the year under reference) –

- a) details of the technology imported;
- b) the year of import;
- c) whether the technology has been fully absorbed and if not, areas where absorption has not taken place, and the reasons thereof;

(iv) the expenditure incurred on Research and Development.

C. Foreign exchange earnings and outgoings

Foreign exchange earnings and outgoings for the year*:	FY23	FY22
Foreign exchange earnings	30,712	23,225
Foreign exchange outgoings	8,048	6,967

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

For and on behalf of the Board

Kiran Mazumdar Shaw
Chairperson
DIN: 00347229

Place: Bangalore
Date: April 26, 2023

Annexure 4

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

(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, 2023)

(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 FY23:

Sl. No.	Name of Director/KMP and Designation	% increase in remuneration in FY23	Ratio of the remuneration of each Director/KMP to the median remuneration of all the employees (1)
Non-Executive Directors			
1	Kiran Mazumdar Shaw	9.47%	11.46
2	Dr Carl Decicco	11.02%	7.37
3	Professor Catherine Rosenberg	15.38%	10.09
Executive Director			
4	Jonathan Hunt, CEO	11.06%	117.99
Independent Directors			
6	Vinita Bali	11.58%	10.55
7	Dr Kush Parmar	20.16%	7.81
8	Paul Frederick Blackburn	10.77%	11.01
9	Sharmila Abhay Karve	15.84%	10.55
10	Dr Vijay Kuchroo	17.93%	9.19
Key Managerial Personnel			
11	Sibaji Biswas	20.98%	46.50
12	Priyadarshini Mahapatra	9.06%	7.09

The remuneration paid to Non-Executive Directors (including Independent Directors) is on accrual basis and includes commission and sitting fees. It is based on the position they occupied in the various committees and meetings attended by them during the FY23.

The remuneration does not include perquisite value on account of stock options. 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, 2022 to March 31, 2023.**

The percentage increase in the median remuneration of employees in the Financial Year 2.9%

The number of permanent employees on the rolls of Company as on 31st March, 2023 6847

- [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 2023. Increase in managerial remuneration is already shown in the data presented above.

- [3] **Affirmation**

It is hereby affirmed that remuneration paid for FY 23 was according to the Company's Policy on Director's Appointment and Remuneration.

For and on behalf of the Board

Place: Bangalore
Date: April 26, 2023

Kiran Mazumdar Shaw
Chairperson
DIN: 00347229

Annexure 5

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 28 March, 2023.
2. We have examined the compliance of conditions of Corporate Governance by Syngene International Limited ("the Company"), for the year ended 31 March 2023, 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 2023.
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

Sampad Guha Thakurta

Partner

Membership No: 060573

ICAI UDIN: 23060573BGYNDC3310

Place: Bengaluru

Date: 26 April 2023

Annexure 6

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2023

[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 Rd, Bommasandra, 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 authorised 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, 2023 (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 period under review;
- (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;
 - 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 period under review 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 period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all 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, etc.

For V SREEDHARAN & ASSOCIATES

(Devika Sathyanarayana)
Partner
FCS: 11323; CP No.17024
Peer Review Certificate No.: 589/2019
Address: No. 291, 1st Floor, 10th Main Road,
3rd Block, Jayanagar, Bengaluru - 560011.

Place: Bengaluru
Date: April 26, 2023
UDIN: F011323E000194321

This letter is annexed herewith as Annexure, and it forms an integral part of the Secretarial Audit Report 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, Bommasandra, 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)
Partner
FCS: 11323; CP No.17024
Peer Review Certificate No.: 589/2019
Address: No. 291, 1st Floor, 10th Main Road,
3rd Block, Jayanagar, Bengaluru - 560011.

Place: Bengaluru
Date: April 26, 2023
UDIN: F011323E000194321

Annexure 7

Secretarial compliance report of Syngene International Limited for the year ended March 31, 2023

[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 authorised 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, 2023, 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 **Syngene International Limited** ("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, 2023 ("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;
- (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 Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Review Period)**;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not Applicable to the Company during the Review Period)**;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not Applicable to the Company during the Review Period)**;

- (j) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (k) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the Review Period)**;
- (l) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

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	
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> 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	
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> 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	
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	
5.	Details related to Subsidiaries of listed entities have been examined w.r.t: <ul style="list-style-type: none"> (a) Identification of material subsidiary companies. (b) Disclosure requirement of material. 	Not applicable	Your company has no material subsidiaries. Hence, this point is not applicable during the review period.

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ remarks by PCS
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	
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	
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 have been taken place with the prior approval of audit committee. Hence, point 8(b) is not applicable during the review period.
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	
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	
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	
12.	Additional Non-compliances, if any: No additional non-compliance observed for all SEBI regulation / circular / guidance note etc.	Yes	

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:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	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.

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
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.

The listed entity was not required to take any actions as there were no observations made by the Practicing Company Secretary (Secretarial Auditors) in previous reports.

The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.

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
Peer Review Certificate No.: 589/2019
Address: No. 291, 1st Floor, 10th Main Road,
3rd Block, Jayanagar, Bengaluru - 560011.

Place: Bengaluru
Date: April 26, 2023
UDIN: F011323E000194431

Annexure 8

Annual Report on CSR activities to be included in the Board's Report for financial year ended March 31, 2023

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
1	Prof. Catherine Rosenberg	Chairperson/Non-Executive Director	04	04
2	Ms. Vinita Bali	Member / Independent Director	04	04
3	Prof. Vijay Kuchroo	Member / Independent Director	04	04

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.	Not applicable However, a voluntary third-party impact assessment was conducted for eLAJ Smart Clinics program. URL to Executive Summary: https://www.bioconfoundation.org/reports/eLAJ%20Smart%20Clinics_%20Impact%20Assessment_Executive%20Summary.pdf
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5. (a) Average net profit of the company as per sub-section (5) of section 135	Rs. 4,882 Mn
--	--------------

(b) Two percent of average net profit of the company as per sub-section (5) of section 135	Rs. 97.7 Mn
--	-------------

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	NIL
---	-----

(d) Amount required to be set-off for the financial year, if any	NIL
--	-----

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]	Rs. 97.7 Mn
---	-------------

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)		Rs. 81.8 Mn	
(b) Amount spent in administrative overheads		NIL	
(c) Amount spent on impact assessment, if applicable.		NIL	
(d) Total amount spent for the financial year [(a)+(b)+(c)]		Rs. 81.8 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	Date of transfer
81.8	15.9	To be transferred before April 30, 2023	Not Applicable

(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	97.7
(ii)	Total amount spent for the financial year	81.8
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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	FY-1 (2021-2022)	52.7	Nil	40.9	Nil		11.8	Nil
2	FY-2 (2020-2021)	20.8	6.9	3.8	Nil		3.1	Nil
3	FY-3 (2019-2020)	Nil	Nil	Nil	Nil		Nil	Nil

8 Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year:

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:

The Company is committed to focusing on healthcare and promoting education in the fields of science and medicine. This commitment is manifested through the CSR initiatives undertaken by the Company. The Company has entered into a Memorandum of Understanding with the Indian Institute of Science, Bangalore (IISc) during FY22 to fund research grants over a period of three years. The Company had set aside Rs. 13.10 Mn from the FY23 budget for funding the grants, which could not be spent as anticipated during the year. Further, an amount of Rs. 2.8 Mn. from the FY23 budget was allocated for construction of school infrastructure for Chikkabalapura Project. The project was delayed owing to delay in approvals and need for demolition at few locations. The above initiatives being multi-year projects have been classified by the Board as ongoing projects and the aggregate unspent amount of Rs. 15.9 Mn will be transferred to a separate Unspent CSR account of the Company before April 30, 2023.

Jonathan Hunt
(Managing Director & Chief Executive Officer)
DIN: 07774619

Catherine Rosenberg
(Chairperson CSR Committee)
DIN: 06422834

Corporate Governance Report

Governance philosophy

The governance philosophy of your Company is inspired by its core values of professionalism, integrity, and excellence. It provides the framework for attaining the Company's objectives while balancing the interests of all its stakeholders and ensuring that the business is being conducted in a fair manner. At Syngene, we believe effective leadership, robust corporate governance practices and a rich legacy of values form the hallmark of our best corporate governance practices.



Our legacy of deep commitment towards the contribution to the evolution of scientific research, and experience to find solutions to the world's most complex challenges, resonates through the organisation. Our vision to be a world-class partner delivering innovative scientific solutions is upheld throughout the organisation and has evolved into our endearing purpose. This purpose ultimately guides our organisational decisions and anchors our every action.

Syngene believes that timely disclosures, transparent accounting policies coupled with a strong and independent Board go a long way in maintaining good corporate governance, preserving shareholders' trust and maximizing long-term corporate value. Syngene's strong leadership and effective corporate governance practices have helped in the effective implementation of plans, adequate disclosures, fair dealings with stakeholders, and maintenance of high standards of business ethics and integrity, thereby reinforcing stakeholder confidence and maximizing long-term corporate value. Our core principles represent the edifice of our three-tier governance model, with the Board of Directors and the Committees of the Board at the apex, followed by the Managing Director & Chief Executive Officer (MD&CEO) and the Executive Committee of the Management at the operational level. The Board and its Committees guide, support, and complement the Management's ideas and initiatives. The Management, in turn, assumes accountability and strives to achieve the defined objectives. Together, the Management, the Board, and its Committees ensure that Syngene remains a company of uncompromised integrity and excellence and is driven toward sustainable growth. The processes, controls, and

limits within which the Company functions can be envisaged in this report.

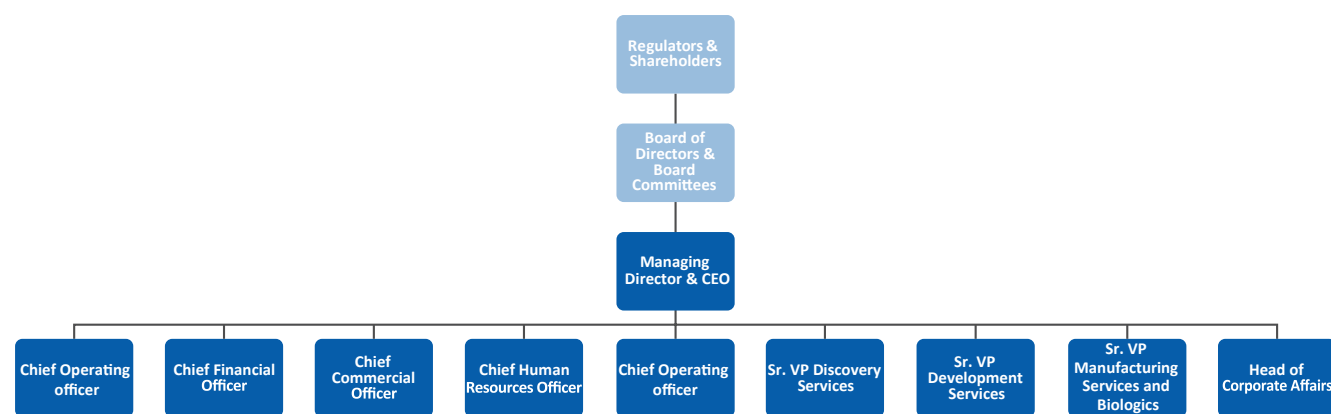
Your Company is cognizant of the fact that effective corporate governance is about creating long-term sustainable value for its stakeholders. While Syngene strives to achieve the highest governance standards, it continues to refine its ongoing practices to ensure the fulfillment of this goal.

The detailed report on Corporate Governance for the Financial Year ended March 31, 2023, as per Regulation 34(3), read with Part C of Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI Listing Regulations") is set out below.

Governance structure

Syngene is a professionally managed Company functioning under the overall supervision of the Board of Directors, which is the apex body constituted by shareholders. The Board brings to the fore a wide repertoire of skills and experience, which elevates the quality of the Board's decision-making. It guides the Management, provides a constructive critique of the Company's strategic business plans and operations, and advises on matters requiring domain expertise. The Board approves all actions with conscious deliberation and after considering their impact on the stakeholders.

The governance structure ensures that the powers vested in the executive management are exercised with due care and responsibility to meet all the stakeholders' expectations. Mr. Jonathan Hunt, Managing Director and Chief Executive Officer (MD & CEO), continues to head the Company's business under the Board's supervision and is responsible for running the management and operations of the Company. He is supported by the Executive Committee (EC), which has Division/functional heads as its members, who look after the management of the day-to-day affairs of the Company. The MD & CEO, together with the EC, operate within the framework of the strategic policies laid down by the Board and are collectively responsible and accountable for overall business deliverables. They drive company-wide processes, systems and policies and act as role models for leadership development within the organisation. Additionally, they provide cross-functional and cross-business perspectives on organisational issues. The EC meets once a month, wherein it reviews and monitors monthly performances, addresses challenges faced by the business, draws strategies and policies, and keeps the Board informed about essential developments in the Company.



● Constitutes Executive Committee

Board of Directors

Board composition and category of Directors

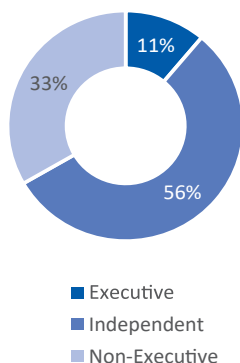
The Syngene Board comprises professionals of eminence and stature drawn from diverse fields. The Board is an ideal mix of knowledge, perspective, professionalism, divergent thinking and experience. The Non-Executive Directors, including the Independent Directors, are well qualified, experienced, and renowned persons from the fields of science, biotech, research, finance and taxation, commercial, manufacturing, information technology etc. The Board Members actively participate in the Board and Committee Meetings and provide valuable guidance to the Management on various aspects of business, governance

and strategy execution. The Board provides leadership, strategic direction, and objective and independent views to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.

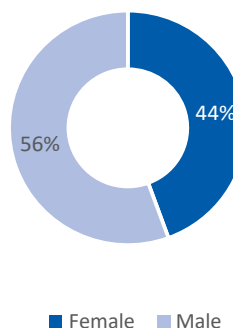
The Company has a balanced and diverse Board with an appropriate mix of Executive Director (ED), Non-Executive Directors (NEDs) and Independent Directors (IDs) to maintain the Board's independence and separate its functioning of governance and management. The Company has also devised a policy on board diversity.

The detailed profile of your directors is available on the Company's website at www.syngeneintl.com

Board Independence



Board Diversity



As on March 31, 2023, the Board comprised nine (9) Directors, consisting of three (3) Non-Executive Non-Independent Directors, five (5) Independent Directors and the MD & CEO. There are four (4) Women directors on the Board of which two (2) are independent. The composition of the Board conforms to the SEBI Listing Regulations and the Companies Act, 2013.

The Board periodically evaluates the need for change in its composition and size.

None of the Directors serve as directors in more than seven listed companies. Further, none of the Directors hold an Executive Director position and serve as an Independent Director in more than three (3) listed companies. None of the Directors on the Board

is a member of more than ten committees and a chairperson of more than five committees across all public limited companies in which they are a Director. For the purpose of determination of Committee position limits, chairperson and membership positions of the Audit Committee and the Stakeholders Relationship Committee have been considered in terms of Regulation 26 of the SEBI Listing Regulations. Further, none of your independent directors serve as Non-Independent Directors of any company on the Board of which any of your Non-Independent Directors is an independent director. No director on the Board has attained the age of seventy-five (75) years. Vinita Bali and Sharmila Abhay Karve are Independent Woman Directors on the Board of Directors of the Company.

As a measure of enhanced corporate governance and increased Board effectiveness, Ms. Vinita Bali was appointed the Lead Independent Director in FY 22. The lead independent director presides over the separate meeting(s) of Independent Directors as Chairperson, acts as a representative of Independent Directors and carries out such other roles and responsibilities as may be assigned by the Board or group of Independent Directors from time to time. The lead independent director provides leadership to the independent directors and ensures the Board's effectiveness in maintaining high-quality governance of the organization and effective functioning of the Board.

Syngene's philosophy to have constructive separation of the Management of the Company from its Promoters manifests itself in the composition of the Board of Directors wherein the office of the Chairperson of the Board and Managing Director & CEO are held by distinct individuals. Kiran Mazumdar Shaw, who was the Managing Director and Chairperson of the Company till March 31, 2020 transitioned into the role of non-executive Chairperson of the Company with effect from April 1, 2020. Jonathan Hunt, was elevated to the position of Managing Director and Chief Executive Officer of the Company with effect from April 1, 2020 for a period of five years. Professor Catherine Rosenberg and Dr Carl Decicco are Non-Executive, Non-Independent Directors on the Board. Professor Catherine Rosenberg, who is a Director, eligible to retire by rotation, seeks reappointment as a Non-executive Director at the ensuing Annual General Meeting.

The Company continues to fulfill the requirement of the Board constitution as required under the SEBI Listing Regulations.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management and also they have confirmed that they are not

aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Further, the Independent Directors have also submitted their declaration under compliance with the provision of Rule 6(3) of Companies (Appointment and Qualification of Directors) Rules, 2014, which mandated the inclusion of an Independent Director's name in the data bank of the Indian Institute of Corporate Affairs ("IICA") for a period of one year or five years or lifetime till they continue to hold the office of an Independent Director.

Role of Board of Directors

The Board upholds the interests of the Company's stakeholders. To ensure effective management, before taking on record the Company's quarterly/annual financial results, the Board is regularly updated on the Company's operations, strategic opportunities, business development activities, the global business environment, financial matters, internal controls and risk management practices.

The matters required to be placed before the Board, inter alia, include:

- Regular business updates, strategic opportunities and diversification plans of the Company, if any
- Updates on Corporate Social Responsibility (CSR) activities
- CSR budget, annual action plan and any alterations thereto
- Related party transactions and significant changes in accounting policies and internal controls
- Mergers or acquisitions or acquiring a controlling or substantial stake in another company
- Recruitment and remuneration of senior management including appointment or removal of Chief Financial Officer and Company Secretary
- Annual operating plans, budget including capital budget, major borrowings, investments and any updates thereof
- Quarterly, half-yearly and annual financial results of the Company (standalone and consolidated) and its operating divisions or business segments
- Update on capital structure
- Update on investor relations
- Minutes of meetings of the Board and other Board Level Committees and resolutions passed
- Materially important show cause, demand, prosecution, and penalty notices, if any.

- Severe or fatal accidents, dangerous occurrences, material effluent or pollution problems, if any
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company
- Issues that involve possible public or product liability claims of substantial nature, including any judgement or order that may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company, if any
- Details of any joint venture or collaboration agreement
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property
- Significant labour, employee and Industrial Relations issues
- Sale of investments, subsidiaries, and assets that are material in nature and not in the normal course of business
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material
- Subsidiary companies' minutes, financial statements, significant transactions and investments and
- Non-compliance of any regulatory, statutory or listing requirements and shareholders' services such as non-payment of dividends, delay in share transfer and so on.

Board membership criteria and selection process

The responsibility for identifying and evaluating a suitable candidate for the Board is delegated to the Nomination and Remuneration Committee (NRC). The existing composition of the Board, the tenure as well as the years left of the existing members to serve on the Board and the need for new domain expertise are reviewed by this Committee regularly. When such a need becomes evident, the Committee reviews potential candidates in terms of their expertise, skills, attributes, personal and professional backgrounds and their ability to attend meetings. It then places the details of the candidates to the Board for its consideration. For the Board, diversity comprehends plurality in perspective, experience, education, background, ethnicity, nationality, age, gender and other personal attributes. If the Board approves, the person is appointed as an Additional Director, subject to the approval of members in the Company's next general meeting.

Further, at the time of induction of a Director, a formal invitation to join the Board is sent and a Directors' handbook comprising a compendium of the role, powers and duties to be performed is handed over to the new Director. The Independent Directors

annually provide a certificate of independence, in accordance with the applicable laws, which is taken on record by the Board. All Board members are encouraged to meet and interact with the management.

Board procedure

The Board and its Committees meet at regular intervals to discuss and decide on the Company's business policies and strategies apart from statutory and other routine matters. The Board and Committee meetings are pre-scheduled, and a tentative annual calendar of the meetings is circulated to the Directors well in advance. This ensures meaningful participation in the meetings. However, in case of special and urgent business needs, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which is noted in the subsequent Board Meeting. The Executive Committee Members are regular attendees at Board and Committee meetings. This helps the Board/Committee members to directly liaise with and seek explanations from the core Management team during the proceedings of the meeting. The interaction with the Board is however not limited only to the meetings of the Board and Committees. The Executive Committee members are encouraged to actively interact with the Board Members outside the meetings. Depending on the area of expertise of an individual Director, the Executive Committee Members are encouraged to have separate sessions with the directors to discuss specific issues concerning the Division/functional area. These are mentoring sessions aimed at broadening the Management's vision and outlook.

The Company Secretary drafts the agenda for each meeting, along with explanatory notes, in consultation with the Chairperson and Management and circulates to the Directors as per timelines through the digital platform. The Board Agenda includes an Action Taken Report comprising actions emanating from the Board Meetings and status updates thereof. Action taken report(s) of the previous meeting(s) are followed up and placed at the next meeting for information and further recommended actions, if any. In special and exceptional circumstances, additional or supplementary item(s) are permitted to be taken up as 'any other item' with the permission of the Chairperson and with consent of majority of Board members/Committee members. The Company Secretary records minutes of each Board and Committee meeting. The draft minutes are circulated to Board/Committee members within 15 days from the meeting for their comments. Directors communicate their comments, if any, in writing on the draft minutes within 7 days from the date of circulation. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting and signed by the Chairperson. The certified true copy of the duly signed minutes is also circulated to the Board and Committee members within 15 days of signature. With a view to leverage technology and reducing

paper consumption, the Company has adopted a web-based application for transmitting Board/Committee agenda, pre-reads and draft Minutes. The Directors of the Company receive the agenda, pre-reads and draft Minutes in electronic form through this application, which can be accessed through browsers or iPads. The application helps to maintain a seamless and safe flow of information between the Management and the Board.

The guidelines for Board and Committee meetings facilitate an effective post-meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof.

Important decisions taken at Board/Committee meetings are communicated promptly to the concerned departments. All the recommendations of the various Committees of the Board have been accepted by the Board of Directors and none of the Directors are influenced by the Management.

Meetings of the Board

During the financial year, five meetings of the Board were held on April 27, 2022, July 20, 2022, October 19, 2022, December 01, 2022 and January 23, 2023. The gap between two Board meetings did not exceed 120 days.

The information on the attendance of Directors at the Board meetings through audio-visual mode during the financial year ended March 31, 2023 and at the last Annual General Meeting (AGM) is given below:

Name of the Director	Category	No. of Board meetings which director was entitled to attend	Number of meetings attended	Attendance at AGM held on July 20, 2022
Kiran Mazumdar Shaw	Non-Executive Chairperson	5	5	Yes
Jonathan Hunt	Managing Director & CEO	5	5	Yes
Dr Carl Peter Decicco	Non - Executive Director	5	4	Yes
Professor Catherine Rosenberg	Non - Executive Director	5	5	Yes
Vinita Bali	Lead Independent Director	5	5	Yes
Dr Kush Parmar	Independent Director	5	5	Yes
Paul Blackburn	Independent Director	5	5	Yes
Sharmila Abhay Karve	Independent Director	5	5	Yes
Dr Vijay Kuchroo	Independent Director	5	5	Yes

Each Director informs the Company on an annual basis about the Board and Board Committee positions they occupy in other companies and notify of any changes regarding their Directorships and Committee positions.

Requisite disclosures have been received from the Directors in this regard. The table below provides the directorship details of the Board members as on March 31, 2023.

Names of the listed entities wherein the Company's directors are holding directorship along with their category and membership/chairmanship in various committee(s) as on March 31, 2023:

S. No.	Name of Director	Name of Company	Designation / Category	Chairmanship/Membership in Committees of other listed entities
1	Kiran Mazumdar Shaw	Syngene International Limited	Non-Executive Chairperson	None
		Biocon Limited	Executive Director and Chairperson	Member: • Risk Management Committee
		United Breweries Limited	Independent Director	Chairperson: • Nomination and Remuneration Committee • Risk Management Committee Member: • Corporate Social Responsibility/ ESG Committee • Borrowing Committee
		Narayana Hrudayalaya Limited	Non-Executive Non-Independent Director	Member: • Nomination and Remuneration Committee
2	Jonathan Hunt	Syngene International Limited	Managing Director & CEO	Member: • Stakeholders Relationship and ESG Committee • Risk Management Committee • Science and Technology Committee
3	Dr Carl Peter Decicco	Syngene International Limited	Non-Executive, Non-Independent Director	Member: • Science and Technology Committee • Risk Management Committee
4	Professor Catherine Rosenberg	Syngene International Limited	Non-Executive, Non-Independent Director	Chairperson: • Corporate Social Responsibility Committee Member: • Nomination and Remuneration Committee • Stakeholders Relationship and ESG Committee • Science and Technology Committee
5	Vinita Bali	Syngene International Limited	Lead Independent Director	Chairperson: • Nomination and Remuneration Committee Member: • Audit Committee • Corporate Social Responsibility Committee
		CRISIL Limited	Independent Director	Chairperson: • Nomination and Remuneration Committee • Corporate Social Responsibility Committee Member: • Audit Committee

S. No.	Name of Director	Name of Company	Designation / Category	Chairmanship/Membership in Committees of other listed entities
6	Dr Kush Parmar	Syngene International Limited	Independent Director	Member: <ul style="list-style-type: none"> Science and Technology Committee Risk Management Committee
7	Paul Blackburn	Syngene International Limited	Independent Director	Chairperson: <ul style="list-style-type: none"> Audit Committee Risk Management Committee Member: <ul style="list-style-type: none"> Stakeholders Relationship and ESG Committee
8	Sharmila Abhay Karve	Syngene International Limited	Independent Director	Chairperson: <ul style="list-style-type: none"> Stakeholders Relationship and ESG Committee Member: <ul style="list-style-type: none"> Audit Committee Nomination and Remuneration Committee
		EPL Limited	Independent Director	Chairperson: <ul style="list-style-type: none"> Audit Committee Member: <ul style="list-style-type: none"> Stakeholders Relationship Committee
		CSB Bank Limited	Independent Director	Chairperson: <ul style="list-style-type: none"> Audit Committee Member: <ul style="list-style-type: none"> Nomination and Remuneration Committee Committee for Monitoring Large Value Frauds. NPA Management Committee Customer Service Committee
		Thomas Cook India Ltd.	Independent Director	Member: <ul style="list-style-type: none"> Audit Committee Risk Management Committee
9	Dr Vijay Kuchroo	Syngene International Limited	Independent Director	Chairperson: <ul style="list-style-type: none"> Science and Technology Committee Member: <ul style="list-style-type: none"> Nomination and Remuneration Committee Corporate Social Responsibility Committee
		Biocon Limited	Independent Director	Member: <ul style="list-style-type: none"> Corporate Social Responsibility & ESG Committee Nomination and Remuneration Committee Stakeholders Relationship Committee

Composition of the Board and details of directorship and committee membership/chairpersonship held in other companies as on March 31, 2023:

Name of the Director	DIN	Designation	Directorship*	Committees	
			Indian Public Companies	Chairmanship*	Membership*
Executive Director					
Jonathan Hunt	07774619	Managing Director & CEO	1	-	1
Non-Executive Directors					
Kiran Mazumdar Shaw	00347229	Non-Executive Chairperson	9	-	-
Dr Carl Peter Decicco	08576667	Director	1	-	-
Professor Catherine Rosenberg	06422834	Director	1	-	1
Independent Directors					
Vinita Bali	00032940	Lead Independent Director	2	-	2
Dr Kush Parmar	09212020	Director	1	-	-
Paul Blackburn	06958360	Director	1	1	2
Sharmila Abhay Karve	05018751	Director	6	4	8
Dr Vijay Kuchroo	07071727	Director	2	-	1

Notes:

[#] Directorship in companies includes Syngene International Limited.

* A Director, wherever she/he is the Chairperson of the Committee, is also a member of the Committee

As per Regulation 26 of SEBI Listing Regulations, membership/chairpersonship of Audit Committee and Stakeholders Relationship Committee in all Indian public limited companies, whether listed or not, excluding private limited companies, foreign companies, high-value debt listed entities, and companies under Section 8 of the Companies Act, 2013 have been considered and reported. Further, none of the Directors of the Company holds membership of more than 10 Committees nor is any Director the Chairman of more than 5 Committees across all companies where they have Directorships.

Disclosure of relationships between directors inter-se

Professor Catherine Rosenberg is the sister-in-law of Kiran Mazumdar Shaw. Except for this, none of the other Directors are related to each other.

Shareholding of Non-Executive Directors

As on March 31, 2023, the following Non-Executive Directors hold equity shares in the Company.

Name	Shareholding as on March 31, 2023
Kiran Mazumdar Shaw	21,964
Prof Catherine Rosenberg	8,806
Paul Blackburn	50,000
Dr. Vijay Kuchroo	50,000

None of the other Non-Executive Directors hold any equity shares or convertible instruments in the Company.

Independent Directors

All Independent Directors of the Company satisfy the criteria of independence as prescribed under the Companies Act, 2013 and SEBI Listing Regulations. At the time of appointment, and thereafter at the beginning of each financial year, the Independent Directors submit a self-declaration confirming their independence and compliance with various eligibility criteria, among other disclosures. All such declarations are placed before the Board for information and noting. For the current financial year, the Independent Directors have also submitted their revised declaration confirming their independence in compliance with the amended SEBI Listing Regulations.

The process for re-appointment of independent directors entails a detailed evaluation of the contributions made by the existing directors. New directors are inducted after assessing skill requirements of the board and identifying areas of expertise

which would be beneficial for the Company. The Independent Directors are given a formal letter of appointment containing the terms of appointment, roles, duties and code of conduct, among other items, as required by Regulation 46 of the SEBI Listing Regulations. The draft letter of appointment is available on the Company's website at www.syngeneintl.com

The maximum tenure of the Independent Directors is in compliance with the provisions of the SEBI Listing Regulations and the Companies Act, 2013. No Independent Director of the Company has resigned during the year.

Independent Directors' meetings

The Companies Act, 2013 and Rules thereunder mandate that the Independent Directors of the Company hold at least one meeting in a year, without the presence of Non-Independent Directors and members of the Management. The Independent Directors met 4 times during the year on April 27, 2022, July 14, 2022, October 19, 2022 and January 23, 2023. Every Independent Director attended each of the aforesaid meetings. The discussions inter-alia covered review of the performance criteria and methodology for carrying out the performance evaluation of the Board, Committees, Chairperson and the non-independent directors as well as to consider the outcome of the evaluation, and assess the quality, quantity and timeliness of flow of information between the Management of the Company and the Board that is necessary for the Board to effectively and reasonably perform its duties. The Lead Independent Director chaired the Meetings of the Independent Directors and conveyed to the Board of Directors at the immediately succeeding board meeting any suggestions or concerns that were discussed at the Meeting of the Independent Directors.

Details of familiarisation programmes imparted to Independent Directors

A formal induction programme for new Directors and an ongoing familiarisation process with respect to the business/working of the Company for all Directors is a major contributor to familiarize the directors with the dynamics of the industry to familiarise engaging them in meaningful deliberations and in taking informed decisions. Complying with Regulation 25(7) of SEBI Listing Regulations, familiarisation programmes to empower Independent Directors with the knowledge of Syngene's business and operations were conducted during the financial year. Latest developments affecting the Company and the Contract Research Organisation (CRO) industry and functions of various business units/verticals were presented to the Directors by the Management team. Further, a Board

development session was conducted on July 19, 2022 by subject matter experts, giving the Board an insight on the cyber security. During December 2022, the Board members got together in Boston to attend a detailed one-day review of the Company's business strategy. Customer interactions with the Board were arranged and the Board members also participated in panel discussion with customers at Boston. In January 2023, a site visit to various CSR projects of the Company in and around Bangalore was arranged for the Board Members to witness the positive impact brought about by these initiatives.

The details of the familiarisation programmes are available at <https://www.syngeneintl.com/investor-relations/corporate-governance>.

Confirmation on Independent Directors

The Board, based on the disclosures received from all Independent Directors, confirms that all Independent Directors fulfil the criteria of independence as specified in the SEBI Listing Regulations, and are independent of the management of the Company for the year ended March 31, 2023.

Skills, expertise and competencies of the Board

The Syngene Board comprises qualified members who collectively bring with them the required skills, expertise and competencies, which allow them to make effective contributions to the Board and Committees as required in the context of the business, thus being instrumental in the progress and growth of the Company. The key skills, expertise and competencies identified by the Board which they take into consideration while nominating any candidate to serve on the Board are summarised below:

Board Skills, Expertise and Competencies



The table below highlights the core areas of expertise/skills/competencies of the Board members:

Key skills, expertise and competencies	Kiran Mazumdar Shaw	Jonathan Hunt	Dr Carl Decicco	Catherine Rosenberg	Vinita Bali	Dr Kush Parmar	Paul Blackburn	Sharmila Abhay Karve	Dr Vijay Kuchroo
Corporate Strategy & Execution	•	•	•		•	•			
Sector expertise <ul style="list-style-type: none"> Life science Healthcare Research 	•	•	•	•		•			•
Executive Leadership	•	•	•		•	•	•	•	
Finance and Risk management	•						•	•	
Science & Technology <ul style="list-style-type: none"> R&D Biotech Digital 	•		•	•		•			•
Commercial <ul style="list-style-type: none"> Sales Marketing PR Brand 		•			•				
Manufacturing	•	•			•				
Corporate Governance <ul style="list-style-type: none"> Regulatory & compliance ESG 	•	•			•		•	•	
Global business experience	•	•	•		•	•	•		

Board Evaluation

During the financial year, the performance evaluation process was undertaken internally, based on the criteria formulated by the Nomination and Remuneration Committee. This evaluation included an assessment of the Board's own performance as well as the working of its Committees for the FY 2022-23 in compliance with Section 134 of the Companies Act, 2013 and Regulation 17(10) of the SEBI Listing Regulations. This is as per the criteria laid down by the Nomination and Remuneration Committee, which includes the following:

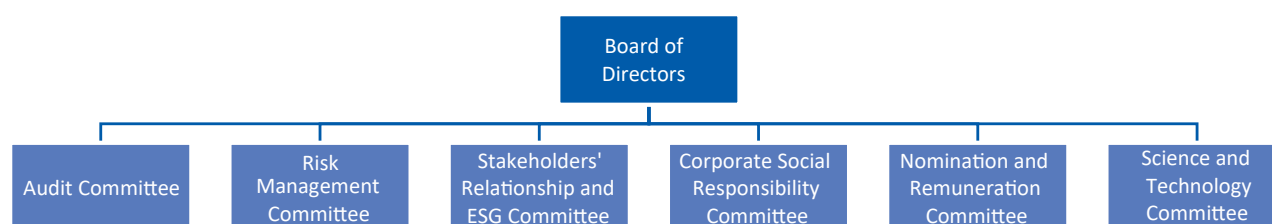
- The Board: Composition, expertise, meetings, functions, management and professional development, among others.
- The Committees: Composition, effectiveness, structure, meetings, independence of the committee, contribution to decision making of the Board, among others.
- Individual Directors (including Chairperson, Independent Directors and Non-Independent directors): leadership, governance, commitment, contribution, experience, expertise, independence, integrity, attendance, responsibility, among others.

Each Director completed a questionnaire involving peer evaluation and feedback on processes of the Board and its Committees. The contribution and impact of individual members were evaluated on several considerations, such as level of engagement, independence of judgment, contributions to enhance the Board's overall effectiveness, etc. Furthermore, the Committees were evaluated on parameters such as effective discharge of their roles, responsibilities and advice given to the Board for discharging its fiduciary responsibilities, including adequate and periodical updates to the Board on the Committees' functioning. The Chairperson of the Nomination and Remuneration Committee also conducted interviews with individual Directors to understand their concerns, if any and provide feedback on the performance of the Board, its Committees and their peers. The feedback-cum-assessment of individual Directors, the Board and its Committees, was discussed by Independent Directors and the Board for the FY 2022-23 and collective action points for improvement were put in place. The Directors acknowledged the productive functioning of the Board and its Committees. The Board is also committed to reviewing the progress on the priorities identified for the year under review. The Directors expressed their satisfaction with the evaluation process and endorsed that it has been an effective exercise and has helped to bring out specific areas of improvement to work on in the years to come.

To further uphold the effectiveness of the Board's governance, an overview of the suggestions as drawn from the evaluation exercise was deliberated and recommended for implementation by the Board. The outcomes witnessed directional improvement in several areas. The evaluation also threw light on the need to have continuous improvement in gender diversity amidst the senior management and the increased need to have periodical discussions on the Company's competitive strategy thereby redefining the Company's edge in the market.

Committees of the Board

The Board has constituted various committees to focus on specific areas and to make informed decisions within their authority. Each committee is governed by its charter, which outlines the scope, roles, responsibilities and powers of the committee. All the decisions and recommendations of the committee are placed before the Board for its noting and approval.



Audit Committee

The Board, on October 19, 2011, constituted the Audit and Risk Committee. The Audit Committee comprises three Independent Directors as of March 31, 2023 namely Paul Blackburn as Chairman and Vinita Bali and Sharmila Abhay Karve as members.

The attendance of members at the meetings of the Audit Committee held in FY23 is given below:

Name	Category	No. of Meetings which the member was entitled to attend	Meetings attended
Paul Blackburn ©	ID	6	6
Vinita Bali	ID	6	6
Sharmila Abhay Karve	ID	6	6

©: Chairperson

ID: Independent Director

Terms of Reference:

The Audit Committee directs the audit function and monitors the quality of internal and statutory audits with the objective of sustaining a regime of unqualified financial statements. The Committee functions according to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015. It assists the Board in fulfilling its responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and procedures for internal financial controls, and reviewing the Company's statutory and internal audit processes. The role and responsibilities of the Committee include:

- Review with the management the quarterly, half-yearly, and annual financial statements before submission to the Board for approval
- To review with the management the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - o Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of Section 134 of the Companies Act, 2013
 - o Changes, if any, in accounting policies and practices and reasons for the same
 - o Major accounting entries involving estimates based on the exercise of judgment by management

Finance & Accounts

- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible

- o Significant adjustments made in the financial statements arising out of audit findings
- o Compliance with listing and other legal requirements relating to financial statements
- o Compliance with the applicable Accounting Standards issued by ICAI or other appropriate authority
- o Disclosure of any related party transactions and review subsequent modification in the related party transactions with related parties of the Company
- o Modified opinion(s) in draft audit report
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary
- Approval of related party transactions (i.e. prior) with related parties or any subsequent modification thereof
- Mandatorily review the management discussion and analysis of the financial condition and results of operations
- Mandatorily review the statement of significant related party transactions (as defined by the Audit Committee) submitted by the management
- Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter
- To make recommendations to the Board on any matter relating to financial management including the Audit Report, which shall be binding on the Board. To record the reasons, if the Board does not accept the recommendations and communicate such reasons to the shareholders
- Reviewing the utilisation of loan and/or advances from / investment by the holding company in the subsidiary exceeding Rs. 100 crores or 10% of the assets size of the subsidiary, whichever is lower
- Recommend to the Board, the appointment, re-appointment, terms of appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees
- Review the appointment, removal and terms of remuneration of the internal auditor
- Approval of all audit and permitted non-auditing services to be provided by the independent auditor to the Company
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- Mandatorily review the management letters /letters of internal control weaknesses issued by the statutory auditors
- Review with the statutory auditors any significant findings and follow up there on
- Review the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- Review with the Management, performance of the Statutory and Internal auditors and adequacy of the internal control systems
- Review with Internal Auditors any significant findings and follow up there on
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discuss with the internal auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- Mandatorily review internal audit reports relating to internal control weaknesses
- Establish a vigil mechanism for directors and employees to report their genuine concerns or grievances
- To review the implementation and functioning of the Vigil Mechanism/ Whistle Blower Mechanism in the Company

Audit Management

- Review and monitor with the management, auditor's independence, effectiveness of audit process and performance of statutory auditors

Others

- The Committee shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company
- Assess the qualification, experience and background, etc. of the candidate to be appointed as Chief Financial Officer of the Company (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function)
- Mandatorily review the appointment, removal and terms of remuneration of the Chief Internal Auditor
- Mandatorily review the statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) for public issue, rights issue, preferential issue etc.
 - b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) for public issue or rights issue
- Carry out any other function contained in terms of reference of the Committee, the Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and any other law
- Review and evaluate the internal financial controls and risk management systems
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- To periodically review the report under the Insider Trading Code of the Company
- To review and approve the report recommending to the Stock Exchanges the Draft Scheme of arrangement/ amalgamation/ merger/ reconstruction/ reduction of capital taking into consideration the Valuation Report and commenting upon the following:
 - o Need for merger/ demerger/ amalgamation/ arrangement
 - o Rationale of the scheme

- o Synergies of business of the entities involved in the scheme
- o Impact of the scheme on the shareholders
- o Cost benefit analysis of the scheme
- o To undertake self-evaluation of its functioning and identification of areas for improvement towards better governance
- o To review and reassess periodically the adequacy of Audit Committee charter and recommend any proposed change to Board for its approval

All the members of the Committee are Independent Directors and possess sound knowledge of accounts, finance, audit and legal matters.

During the year, six meetings of the Committee were held on April 26, 2022, July 19, 2022, September 30, 2022, October 18, 2022, January 23, 2023 and March 15, 2023. Apart from the quarterly meetings scheduled to discuss the financial results, two additional meetings were held during the year to discuss matters other than financial results. The Statutory Auditors attended the quarterly meetings of the Audit Committee in which the financials were noted and the Internal Auditors attended all the six meetings. The Committee met the Statutory Auditors and the Internal Auditors separately, independent of the Management, every quarter to obtain their inputs on significant matters relating to their respective areas of the audit. The Company Secretary acts as Secretary to the Committee. The Internal Auditor reports functionally to the Audit Committee. The Board accepted all recommendations made by the Audit Committee during the financial year.

Paul Blackburn, Chairman of the Audit Committee, was present at the last AGM of the Company held on July 20, 2022.

Risk Management Committee

The Board at its meeting held on January 22, 2019, constituted the Risk Management Committee in accordance with Regulation 21 of the SEBI Listing Regulations.

The Risk Management Committee comprises the following directors as of March 31, 2023:

Paul Blackburn – Independent Director and Chairman

Dr Carl Decicco – Non-Executive Director

Dr Kush Parmar – Independent Director

Jonathan Hunt – Managing Director and Chief Executive Officer

The attendance of the members in the Risk Management Committee Meetings held in FY23 is given below:

Name	Category	No. of Meetings which the member was entitled to attend	Meetings attended
Paul Blackburn ©	ID	4	4
Jonathan Hunt	ED	4	4
Carl Decicco	NED	4	4
Kush Parmar	ID	4	4

©: Chairman

ID: Independent Director, NED: Non-Executive Director, ED – Executive Director

Terms of Reference:

- To formulate a detailed risk management policy comprising:
 - a. framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee
 - b. measures for risk mitigation including systems and processes for internal control of identified risks
 - c. business continuity plan
- Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems
- Review the Company's risk exposures, risk appetite and tolerance limit
- Identify the critical risk exposures of the Company and assess Management's actions to mitigate the exposures in a timely manner
- Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company
- Ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities
- Annually review the overall risk management framework with respect to risk assessment and management and ensure proper systems of control are in place for risk management
- Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity
- Coordinate with the Audit Committee and understand how the company's internal audit plan is aligned with the risks that have been identified and its management
- Coordinate its activities with other committees/Board, in instances where there is any overlap with activities, as per the framework laid down by the Board of directors
- Periodically obtain assurance from the management that all known and emerging risks have been identified and mitigated or managed
- To report to the Board about the nature and content of its discussions and actions to be taken and make recommendations, if any
- To undertake self-evaluation of its function and identify areas for improvement towards better governance
- To review appointment, removal and terms of remuneration of the Chief Risk Officer (if any)
- To periodically review and reassess the adequacy of this charter and recommend any change to the Board for its approval
- To perform such functions as may be delegated by the Board and/or are prescribed under Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and any other applicable laws from time to time

The Company has in place an enterprise-wide risk management framework. This holistic approach provides the assurance that the Company, to the best of its capabilities, identifies, assesses and mitigates risks that could materially impact its performance in achieving the stated objectives.

During the financial year, four meetings of the Committee were held on April 19, 2022, July 14, 2022, October 13, 2022 and January 18, 2023.

Stakeholders Relationship and ESG Committee

The Board, on July 23, 2014, constituted the Stakeholders Relationship Committee in accordance with Section 178 (5) of the Companies Act, 2013 and SEBI Listing Regulations. In

the Board meeting held on October 20, 2021, the Company proposed to include the Environment, Social and Governance (ESG) accountabilities within the scope of the Stakeholders Relationship Committee and widen the powers of the Committee to review and monitor the ESG matters. On the approval of the Board, the Stakeholder Relationship Committee was renamed as Stakeholders Relationship and ESG Committee w.e.f. October 20, 2021. The Stakeholders Relationship and ESG Committee comprises two independent directors, a non-executive director, and the executive director, as of March 31, 2023 namely Sharmila Abhay Karve, independent directors as the Chairperson, Paul Blackburn, Independent Director, Professor Catherine Rosenberg, Non-Executive Director and Jonathan Hunt, Executive Director as Members.

The attendance of Members at the Stakeholders Relationship and ESG Committee meetings held in FY23 is given below:

Name	Category	No. of Meetings which the member was entitled to attend	Meetings attended
Sharmila Abhay Karve©	ID	4	4
Jonathan Hunt	ED	4	4
Professor Catherine Rosenberg	NED	4	4
Paul Blackburn	ID	4	4

©: Chairperson

ID: Independent Director, NED: Non-Executive Director, ED – Executive Director

Terms of Reference

The Stakeholders Relationship & ESG Committee inter-alia looks into the redressal of grievances of investors or other security holders and provides specialised focus and oversight on ESG matters. The Committee functions according to the provisions of the Companies Act, 2013 and SEBI Listing Regulations. The role and responsibilities of the Committee have been enhanced beyond the requirements prescribed under law and include:

- To look into redressal of all grievances pertaining to equity shareholders /any other security holders
- To deal with all grievances relating to non-receipt of annual report and/or general meeting notices, non-receipt of declared dividends, non-receipt of interest and any other related grievances of the equity shareholders /any other security holders
- To deal with all matters relating to the transfer, transmission of shares and other allied matters. However, Company Secretary is severally authorised to approve the transfer and transmission up to two thousand equity shares
- To deal with all matters relating to issuing new or duplicate share certificates
- Review the measures taken by the Company for the effective exercise of voting rights by the shareholders
- Review of adherence to the service standards adopted by the Company in respect of various services rendered by the Registrar & Share Transfer Agents
- Review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividend and any other unclaimed amount
- Review of various measures and initiatives taken by the Company to ensure timely receipt of dividend /annual reports/statutory notices by the shareholder of the company
- To maintain and promote the corporate image of the Company among stakeholders including potential stakeholders

- Reviewing movement in key shareholdings and ownership structure
- To review expectations and concerns of shareholders and analysts about the Company, emerging during face-to-face interactions, analysts' briefings or survey of shareholders. The Committee shall also review the engagement with or reports made on the company by various stakeholders including credit rating agencies, Environment, Social and Governance rating agencies and ensure that the views / concerns of the stakeholders are highlighted to the Board at appropriate time and that the steps are taken to address such concerns
- Review of the Annual Internal Audit Report from the Registrar and Share Transfer agent pursuant to SEBI Circular dated April 20, 2018 together with the audit observations and action taken report
- To focus on the macro-level trends and developments in ESG parameters, guide the creation of ESG goals of the Company, continuously review the actions taken to achieve such goals and monitor the ESG performance of the Company
- To ensure that the Company is taking the appropriate measures to undertake and implement actions to further its ESG Goals. The Committee shall have access to any internal information necessary to fulfil its role, in this regard
- To review the updates provided by the ESG sub-committee and its working. The Committee may delegate authority to the sub-committee as and when it deems appropriate
- To review any statutory requirements for Sustainability reporting e.g. Business Responsibility Reporting (BRR)/ Business Responsibility and Sustainability Reporting
- To review and evaluate the ESG risks identified by the Company and establish mitigation steps around it, which can be reported to the Risk Management Committee and Board
- Performing such other functions as may be required under the relevant provisions of the Companies Act, 2013, the Rules made there under, the SEBI Listing Regulations and various circulars issued by the regulatory authorities thereof, as amended from time to time and discharge such other functions as may be specifically delegated to the Committee by the Board from time to time

- To undertake self-evaluation of its functioning and identification of areas for improvement towards better governance
- To annually review and reassess the adequacy of this charter and recommend any proposed change to the Board for its approval

During the financial year, four meetings of the Committee were held i.e. on April 25, 2022, July 18, 2022, October 18, 2022 and January 18, 2023.

Sharmila Abhay Karve, Chairperson of the Committee was present at the last AGM held on July 20, 2022. There were no shareholders' complaints received during the financial year ended March 31, 2023. There were however 38 requests received by the Company/RTA for various issues such as copies of annual report, renewal of IPO refund order, renewal of dividend warrant amongst others. All the requests were closed within the stipulated time.

Compliance Officer

Priyadarshini Mahapatra has been appointed as the Company Secretary & Compliance Officer of the Company as per Regulation 6 of the SEBI Listing Regulations to discharge all duties under the SEBI Listing Regulations.

Role of Company Secretary

The Company Secretary plays a key role in ensuring that effective Board procedures are followed and reviewed periodically. She is primarily responsible for ensuring compliance with all the provisions of the Companies Act, SEBI Listing Regulations, Secretarial Standards issued by the Institute of Company Secretaries of India and provisions of all other applicable laws to the Company. She ensures timely flow of information along with relevant supporting documents to the Directors and the Senior Management team for effective decision making at the respective meetings. She also assists and advises the Board in following good corporate governance practices.

Corporate Social Responsibility Committee

In terms of Section 135 of the Companies Act, 2013, the Board, on October 23, 2013, constituted the Corporate Social Responsibility (CSR) Committee. The CSR Committee comprises two Independent Directors and one Non-Executive Director as on March 31, 2023 namely Prof. Catherine Rosenberg, Non-Executive Director as Chairperson and Dr Vijay Kuchroo, Independent Director and Vinita Bali, Independent Director as Members.

The attendance of the members at the meetings of the CSR Committee during the FY23 is given below:

Name	Category	No. of meetings which the member was entitled to attend	Meetings attended
Professor Catherine Rosenberg ©	NED	4	4
Vinita Bali	ID	4	4
Dr Vijay Kuchroo	ID	4	4

©: Chairperson

ID: Independent Director, NED: Non-Executive Director

Terms of reference:

- Formulate and recommend a CSR policy to the Board and seek their approval. Review and reassess periodically the adequacy of this policy and recommend any proposed change to the Board for its approval
- Ensure that the list of CSR activities which the Company plans to undertake falls under the purview of the Act
- Recommend CSR activities and budget to the Board for approval
- To review and monitor all CSR activities from time to time and regularly report to the Board on the progress
- To formulate and recommend to the Board, an annual action plan in pursuance of this policy, as per the CSR rules
- To recommend to the Board alteration, if any, to the annual action plan at any time during the financial year based on the reasonable justification to that effect
- To undertake self-evaluation of its own functioning and identification of areas for improvement to promote better governance

Syngene believes and acknowledges its responsibility towards the environment, its customers, employees and other stakeholders. Our CSR initiatives are based on the principle of making an enduring impact on the society through programmes that promote social and economic inclusion. The Company's contributions and initiatives towards social welfare, promoting education and research in the fields of science and medicine,

and environment sustainability have been integral to its business all along. The overarching principle on Company's CSR highlights an inclusive, integrated and participatory approach towards the community and ecology.

The Company's CSR activities, apart from the contribution towards scientific research grants are executed through Biocon Foundation that develops and implements healthcare, educational and infrastructure projects; rural development; promotion of art and culture; gender equality and safety of vulnerable sections of society. The CSR policy of the Company is available on our website at <https://www.syngeneintl.com/investors/corporate-governance/governance-reports-policies/>.

During the financial year, four meetings of the Committee were held on April 26, 2022; July 18, 2022, October 19, 2022 and January 17, 2023. The CSR Report as required under the Companies Act, 2013 for the year ended March 31, 2023 is annexed as Annexure 8 to the Board's Report.

Science and Technology Committee

The Board, on July 20, 2021 constituted the Science and Technology Committee to provide strategic direction on identifying and evaluating science and technology in line with client requirements and industry trends.

The Science and Technology Committee comprises two Independent Directors, two Non-Executive Directors and one Executive Director as on March 31, 2023 namely Dr Vijay Kuchroo, Independent Director as the Chairperson, Dr Kush Parmar, Independent Director, Dr Carl Decicco and Professor Catherine Rosenberg, Non-Executive Directors and Jonathan Hunt, MD & CEO as Members.

The attendance of the members at the meetings of the Science and Technology Committee held in FY23 is given below:

Name	Category	No. of meetings which the member was entitled to attend	Meetings attended
Dr Vijay Kuchroo©	ID	4	4
Mr Jonathan Hunt	ED	4	4
Dr Carl Peter Decicco	NED	4	3
Professor Catherine Rosenberg	NED	4	4
Dr Kush Parmar	ID	4	4

©: Chairperson

ID: Independent Director, NED: Non-Executive Director, ED – Executive Director

Terms of Reference:

- Identifying emerging areas of science and technology to be assessed by Syngene
- Ensure clarity of direction and a structured approach to assessing new areas of science and technology, to be on the leading edge of science and technology in the service industry to meet the emerging needs of clients
- Review, from time to time, important bioethical issues faced by the Company and assist in the formulation of appropriate policies in relation to such issues
- Consider, from time to time, future trends in medical science and technology, and review and assess any matters arising when the Company is considering entry into new areas of science or medicine
- To bring together multiple external perspectives (self, clients, vendors, academia) and assure that Syngene makes well-informed choices in the investment of resources across divisions in Discovery, Development, Manufacturing services, and Dedicated centres
- To enable Syngene to adapt to new profitable, beneficial science and technology implementation decisions in a timely manner

- Monitor and review the progress of recommended technologies and speak on Syngene advances in these technologies during personal interactions
- Development of scientific manpower at the appropriate or required level within Syngene
- Building scientific network

During the financial year, four meetings of the Committee were held on April 26, 2022, July 19, 2022, October 13, 2022 and January 18, 2023.

Nomination and Remuneration Committee

The Board, on April 23, 2014, constituted the Nomination and Remuneration Committee, which functions in accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations.

The Nomination and Remuneration Committee comprises three Independent Directors and one Non-Executive Director as on March 31, 2023 namely Vinita Bali, Independent Director as the Chairperson and Dr Vijay Kuchroo and Sharmila Abhay Karve, Independent Directors, and Professor Catherine Rosenberg, Non-Executive Director as Members.

The attendance of the members at the meetings of the Nomination and Remuneration Committee held in FY23 is given below:

Name	Category	No. of meetings which the member was entitled to attend	Meetings attended
Vinita Bali ©	ID	8	8
Professor Catherine Rosenberg	NED	8	8
Sharmila Abhay Karve	ID	8	8
Dr Vijay Kuchroo	ID	8	6

©: Chairperson

ID: Independent Director, NED: Non-Executive Director

Terms of Reference:

- Review the Structure, Diversity, Competencies and Composition of the Board and its Committees and make any recommendations to the Board in this regard
- Identify persons who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal
- Identify the succession pipeline for Directors, based on competencies required on the Board and recommend new appointments to the Board as necessary
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director
- Review senior management performance and potential, talent development and succession plan, in order to maintain the appropriate balance of skill, experience and expertise in the senior management team
- Identify and nominate candidates for the approval of the Board for any new appointments -- whether of independent directors, executive or non-executive Directors. The Committee may use an external search agency and/or any other means to assist in this recruitment process
- Recommend to the Board the rationale for the appointment or removal of a Director, Key Managerial Personnel or Senior Management
- Evaluate the performance of the Key Managerial Personnel and Senior Management, in the context of the Company's performance and industry benchmarks, and determine the structure of total compensation
- Review and approve the Company people and compensation strategy from time to time in the context of the prevailing market conditions in all relevant geographies and in accordance with applicable laws
- Recommend to the Board a policy, relating to the overall remuneration structure of the Company and specifically the total compensation of the Directors and Senior Management
- Review the HR dashboard and ensure that the key metrics relating to people and culture are consistent with the values of the Company and are being continually tracked
- Recommend to the Board, all remuneration, in whatever form, payable to the Senior Management and Directors
- Specify the process and criteria of annually assessing Board and Committee effectiveness and individual director assessments, to be conducted internally by the Nomination and Remuneration Committee or by an independent external agency and review its implementation, including the term of Directors
- Formulation of criteria for evaluation of the performance of Independent Directors and the Board of Directors
- Ensure appropriate induction, training and education programs are in place for new and existing Directors and review its effectiveness
- Devise a policy on the diversity of Board of Directors
- Determine whether to extend or continue the term of appointment of the independent director based on report of performance evaluation of independent directors
- Perform such necessary functions as are required to be performed by the Compensation Committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
- Periodically review and reassess the adequacy of this charter and recommend any proposed change to the Board for approval

- Report to the Board any matters of governance brought to the attention of the Committee and make recommendations, if any, towards better governance
- Perform functions as may be delegated by the Board of Directors and/or prescribed under The Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and any other applicable law
- Ensure that the Company frames suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as and when the same come into force;
 - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.

During the financial year, eight meetings of the Committee were held on April 26, 2022, May 07, 2022, May 24, 2022, July 14, 2022, October 18, 2022, January 17, 2023, February 24 2023 and March 15, 2023.

Remuneration Policy

The Remuneration Policy of the Company is broadly based on the following criteria:

- The remuneration structure is reasonable and sufficient to attract, retain and motivate employees at all levels in the Company
- Relationship of remuneration with the employee's performance is clear and meets performance benchmarks
- Remuneration to Directors/Senior Management/Key Managerial Personnel involves balance between fixed pay, variable pay and stock options reflecting short and long-term objectives derived to achieve the Company's goal

For details, refer to the policy relating to Director's appointment and remuneration, which is available on the website of the Company at <https://www.syngeneintl.com/investors/corporate-governance/governance-reports-policies/>.

Remuneration Of Directors

Compensation to Executive Directors

Jonathan Hunt held the position of Managing Director & CEO as on March 31, 2023. All other directors are Non-Executive Directors. Jonathan Hunt has been appointed as the Managing Director & CEO of the Company w.e.f April 01, 2020 for a period of five years, which was approved by the shareholders at the 27th AGM of the Company held on July 22, 2020. The remuneration of Jonathan Hunt includes annual base pay subject to performance-linked increment, variable pay linked to Company's performance,

long-term incentives, including stock options, and perquisites, as well as other allowances as per the Company's policy and as approved by the Board. The shareholders vide resolution passed by postal ballot dated February 27, 2022, increased the overall limit of managerial remuneration payable to Jonathan Hunt from 5% to 14% of the net profits of the Company and consequently increased the overall managerial remuneration limit payable to all directors to 15% of the net profits of the Company computed in accordance with Section 198 of the Companies Act, 2013 for a period of three years from March 01, 2022. The above increase in managerial remuneration was approved to facilitate the exercise of Employee Stock Options/Restricted Stock Units granted to and vested unto Jonathan Hunt. The increase in remuneration of Jonathan Hunt was approved to accommodate an increase in the perquisite value arising upon exercise of vested stock incentives granted to him in the previous years coupled with the significant increase in share price. Such increase will neither entail any additional charge or outflow for the Company nor impact the Statement of Profit and Loss Account of the Company.

Any annual pay, variable pay or incentives payable to Managing Director and CEO is determined keeping in view his performance on various financial and non-financial parameters approved by the Board based on the recommendation from the Nomination and Remuneration Committee

Pecuniary relationship or transactions of the Non-Executive Directors

There was no pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company, which has potential conflict with the interest of the organisation at large.

Criteria for Making Payment to Non-Executive Directors

The role of Non-Executive and Independent Directors is not just restricted to corporate governance or outlook of the Company. They also bring with them significant professional expertise and rich experience across a wide spectrum of functional areas in the fields of scientific knowledge, research and innovation, manufacturing, global healthcare service, general management, finance and risk management, compliance and governance, technology and digital perspective and other corporate functions. The Company seeks their expert advice on various matters from time to time. The Nomination and Remuneration Committee determines and recommends to the Board the compensation payable to Directors.

Compensation/fees paid to Non-Executive Directors

Non-Executive Directors of the Company are paid remuneration as detailed below by way of commission, which was approved and recommended by the Board and subsequently approved by the shareholders through Postal Ballot dated March 5, 2019. The overall limit is 1% per annum of net profits of the Company, calculated as per the provisions of Section 198 of the Companies Act, 2013, for remuneration payable by way of quarterly commission to the Non-Executive and Independent Directors of the Company.

The shareholders vide resolution passed by postal ballot dated February 27, 2022, increased the overall limit of managerial remuneration payable to Jonathan Hunt, MD & CEO from 5% to 14% of the net profits of the Company and consequently increased the overall managerial remuneration limit payable to all directors to 15% of the net profits of the Company computed

in accordance with Section 198 of the Companies Act, 2013 for a period of three years from March 01, 2022. The Company however has not modified the limit of remuneration payable to the Non-executive directors ie. 1% of the Net Profits of the Company as approved by the shareholders of the Company by postal ballot on March 05, 2019.

S. No	Particulars	Annual Board Fees in USD
1	Board Meeting - Non-Executive Chairperson	100,000
2	Board meeting – Other Non-Executive Directors	50,000
3	Audit committee - Chairperson	24,000
4	Audit committee – Other Members	16,000
5	For each of the Committees, namely Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Stakeholders Relationship & ESG Committee and Science & Technology Committee - Chairperson	12,000
6	For each of the Committees, namely Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Stakeholders Relationship & ESG Committee, and Science & Technology Committee – Other Members	8,000

Sitting fee is paid on the basis of USD 1,000 per meeting of the Board/Committee and this is adjusted against the overall amount of the Board fee, as indicated in the table above, assuming quarterly meetings of Board and individual Committees. In case of additional meetings other than quarterly meetings, only the sitting fee of USD 1,000 will be paid for each such additional meeting. Pro-rata commission (i.e. 25% as stated in the above

table) will be paid quarterly after adjusting quarterly sitting fees. Commission for the fourth quarter will be paid once the annual accounts are approved to ensure compliance with the guideline of commission for all non-executive directors up to 1% of the net profits for the relevant year. Besides the above, travel expenses for attending the meetings will be reimbursed on actual basis.

The details of remuneration and sitting fees paid or provided to all the Directors during the year ended March 31, 2023 are as under:
(Rs. in Million)

Name of the Director	Salary & Perquisites [®]			Others		Total
	Fixed Pay + Bonus	Stock Options	Retiral Benefits*	Commission*	Sitting Fees*	
Kiran Mazumdar Shaw	-	-	-	7.82	0.41	8.23
Jonathan Hunt	84.75	-	-	-	-	84.75
Carl Decicco	-	-	-	4.40	0.89	5.30
Prof. Catherine Rosenberg	-	-	-	5.38	1.87	7.25
Kush Parmar	-	-	-	4.40	1.21	5.61
Vinita Bali	-	-	-	5.70	1.87	7.58
Paul F Blackburn	-	-	-	6.36	1.55	7.91
Sharmila Abhay Karve	-	-	-	5.70	1.87	7.58
Dr Vijay Kuchroo	-	-	-	5.38	1.55	7.25

Note:

*The details above are on an accrual basis. The remuneration does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

[®]Excludes value of perquisite upon exercise of stock options which were granted during earlier financial years. No options were granted during the year.

Service Contracts, Notice Period and Severance Fees

As on March 31, 2023, the Board comprised nine members, including one Executive Director and eight Non-Executive Directors, of which five are Independent Directors. Jonathan Hunt, being in employment, as per terms of appointment, is eligible for severance fees equivalent to three months' notice. However, other Directors are not subject to any notice period and severance fees.

General body meetings

Location, dates and time of the last three AGMs are detailed below:

S. No	Financial Year	Date and Time	Location	Special Resolutions passed
1	2019-20	July 22, 2020 4:00 P.M.	Held through video conference ("VC")/ other audio-visual means ("OAVM") deemed to be held at Biocon Campus, 20 th K.M. Hosur Road, Hebbagodi, Bengaluru, 560100	1. To re-appoint Dr Vijay Kumar Kuchroo (DIN: 07071727) as an Independent Director of the Company. 2. To re-appoint Vinita Bali (DIN: 00032940) as an Independent Director of the Company.
2	2020-21	July 21, 2021 3:30 P.M.	Held through video conference ("VC")/ other audio-visual means ("OAVM") deemed to be held at Biocon Campus, 20 th K.M. Hosur Road, Hebbagodi, Bengaluru, 560100	No Special Resolution was passed at the AGM.
3	2021-22	July 20, 2022 3:30 P.M.	Held through video conference ("VC")/ other audio-visual means ("OAVM") deemed to be held at Biocon Campus, 20 th K.M. Hosur Road, Hebbagodi, Bengaluru, 560100	1. To re-appoint Sharmila Abhay Karve (DIN: 05018751) as an Independent Director of the Company. 2. To approve amendments to the Syngene Restricted Stock Unit Long Term Incentive Plan FY2020.

Details of postal ballot during the year along with voting pattern:

During the financial year, the Company had sought approval of the shareholders through postal ballots. The Board had appointed V Sreedharan, Practicing Company Secretary, partner of M/s V Sreedharan & Associates, Company Secretaries, Bengaluru (FCS 2347; CP 833) and in his absence Pradeep B Kulkarni, Practicing Company Secretary, Bengaluru (FCS 7260; CP 7835) or Devika Satyanarayana, Practicing Company Secretary, Bengaluru (FCS 11323; CP 17024), as the Scrutinizer for conducting the postal ballot process in fair and transparent manner. The details of the postal ballots are as follows:

Name of the Resolution	Type of resolution	No. of votes polled	Votes cast in favour		Votes cast against	
			No. of votes	%	No. of votes	%
Postal Ballot – April 2022 Date of Postal Ballot Notice: April 27, 2022 Voting Period: May 01, 2022 to May 30, 2022 Date of Approval: May 30, 2022 Date of Declaration of Result: June 01, 2022						
1. To approve the appointment of Dr Carl Decicco (DIN: 08576667) as a Non-Executive Director of the Company.	Ordinary	341,038,301	341,032,817	99.9984	5,484	0.0016

Name of the Resolution	Type of resolution	No. of votes polled	Votes cast in favour		Votes cast against	
			No. of votes	%	No. of votes	%
1. To approve the Syngene Long Term Incentive Performance Share Plan 2023 and grant of Performance Share Units (PSUs) to eligible employees of the Company.	Special	333,926,266	316,573,105	94.8033	17,353,161	5.1967
2. To approve the Syngene Long Term Incentive Outperformance Share Plan 2023 and grant of Performance Share Units (PSUs) to eligible employees of the Company.	Special	333,926,265	316,573,205	94.8033	17,353,060	5.1967
3. To approve extending the benefits of the Syngene Long Term Incentive Performance Share Plan 2023 to the employees of holding company, subsidiary(ies) including future subsidiary(ies).	Special	333,926,265	310,988,572	93.1309	22,937,693	6.8691
4. To approve extending the benefits of the Syngene Long Term Incentive Outperformance Share Plan 2023 to the employees of holding company, subsidiary(ies) including future subsidiary(ies).	Special	333,926,303	310,988,572	93.1309	22,937,731	6.8691
5. To approve the provision of money by the Company for the purchase of its own shares by the Syngene Employees Welfare Trust for the benefit of employees under Syngene Long Term Incentive Performance Share Plan 2023 and Syngene Long Term Incentive Outperformance Share Plan 2023.	Special	333,926,164	316,564,044	94.8006	17,362,120	5.1994
6. To approve the termination of Syngene Employee Stock Option Plan 2011 ("the ESOP Plan").	Special	334,615,463	334,608,096	99.9978	7,367	0.0022

Communication of financial results

I. Quarterly financial results

The quarterly financial results are normally published in nationwide newspaper Financial Express and Vijayavani (Kannada edition) newspapers and are also displayed on Company's website at <https://www.syngeneintl.com/investors/financial-information/>

II. News releases, presentations

Official news/press releases are sent to the Stock Exchanges from time to time and are also displayed on the Company's website www.syngeneintl.com

III. Presentations to institutional investors/analysts

Presentations are made to institutional investors and financial analysts on quarterly financial results of the Company. These presentations are also published on the Company's website <https://www.syngeneintl.com/investors/financial-information/> and are sent to Stock Exchanges. The

schedule of meetings with institutional investors/financial analysts are intimated in advance to the Stock Exchanges and disclosed on Company's website at <https://www.syngeneintl.com/investors/stock-exchange-disclosures/>

IV. Website

The website of the Company i.e. www.syngeneintl.com contains a separate and dedicated "investors" section to serve shareholders, by giving complete information pertaining to the Board of Directors and its Committees, financial results including subsidiaries financials, stock exchanges disclosures and compliances such as shareholding pattern, corporate governance report and press releases, Notice of the Board and General Meetings, details of Registrar and Transfer Agents, details of unclaimed dividend and IEPF related information amongst others. The Company's Annual Report along with supporting documents and the ESG report are also available on the website in a user-friendly and downloadable form. As per the recent requirements of Stock exchanges, the Company has created a separate tab for the above disclosures

V. NEAPS and BSE Listing Centre

NEAPS and BSE Listing Centre are web-based application designed by NSE and BSE respectively, for the Corporates for smooth filing of information with the stock exchanges. All periodical compliance filings like shareholding patterns, corporate governance report, media releases are electronically filed on NSE Digital/ NEAPS and BSE Listing Centre.

VI. SEBI Complaints Redress System ("SCORES")

Investor complaints are processed through a centralised web-based complaints redressal system. Centralised database of all complaints received, online upload of the Action Taken Reports (ATRs) by the Company, online viewing by investors of actions taken on the complaints and the current status are updated/resolved electronically in the SEBI SCORES system.

General Shareholders' Information	
Day and date of Annual General Meeting	Wednesday, July 26, 2023
Time	3:30 PM
Venue	The meeting shall be held through video conferencing/other audio-visual means. The deemed venue for the meeting shall be Biocon Campus, 20th K.M. Hosur Road, Hebbagodi, Bengaluru, 560100
Financial year	1 st day of April to 31 st day of March in the next calendar year
Dividend payment date	On or before August 07, 2023
Date of Book Closure / Record Date / Cut off	June 30, 2023
Listing of Stock Exchanges	The National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra – Kurla Complex, Bandra (East), Mumbai- 400 051 The BSE Limited (BSE) Floor 25, P J Towers, Dalal Street, Mumbai 400 001
Payment of annual listing fees	Paid
Stock Symbol /Code	Syngene (NSE); 539268 (BSE)
International Securities Identification Number (ISIN)	INE398R01022
Face Value per share	Rs. 10/-
Date of Listing	August 11, 2015
Financial calendar for 2023-24 (tentative dates)	
For the quarter ending June 2023	July 26, 2023
For the quarter ending September 2023	October 17, 2023
For the quarter ending December 2023	January 23, 2024
For the quarter ending March 2024	April 24, 2024

Market price data for FY23

The Company's shares are regularly traded on BSE Limited and National Stock Exchange of India Limited. The monthly high/low and volume of shares of the Company from April 1, 2022 to March 31, 2023 is given below:

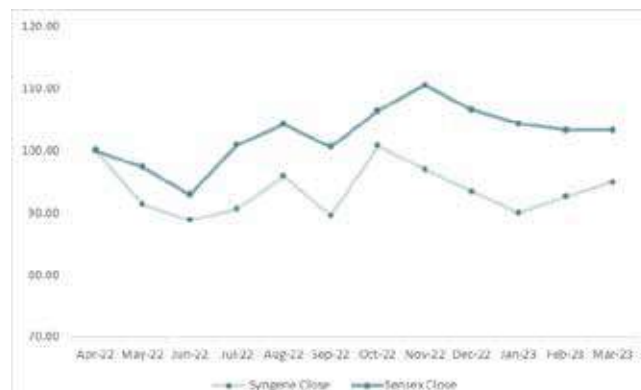
Months	NSE			BSE		
	High Price (Rs.)	Low Price (Rs.)	Volume of Equity Shares	High Price (Rs.)	Low Price (Rs.)	Volume of Equity Shares
Apr/22	683.00	592.60	13,144,557	682.25	592.95	398,381
May/22	633.00	510.05	5,804,181	632.80	511.50	225,799
Jun/22	578.95	521.35	6,766,869	585.00	521.30	193,909
Jul/22	627.15	544.35	12,781,745	626.80	544.25	390,400
Aug/22	620.25	552.30	9,754,915	619.65	552.65	365,815
Sep/22	615.50	542.40	17,362,490	615.25	542.75	24,200,639
Oct/22	632.75	535.10	13,160,893	632.65	535.50	1,490,441
Nov/22	648.00	593.20	10,259,605	647.50	593.05	391,115
Dec/22	614.80	563.00	6,657,638	614.00	563.20	324,571
Jan/23	626.55	557.05	11,023,281	628.55	557.05	305,992
Feb/23	587.95	545.00	13,560,237	587.45	545.10	40,345,715
Mar/23	601.50	568.05	7,926,154	600.75	568.05	256,888

[Source: This information is compiled from the data available on the websites of BSE and NSE]

Relative Movement Chart



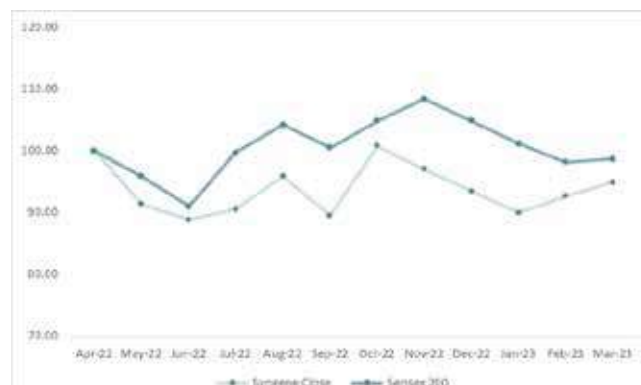
Syngene and S&P Nifty share price movement from April 1, 2022 to March 31, 2023



Syngene and BSE Sensex share price movement from April 1, 2022 to March 31, 2023



Syngene and NIFTY 200 share price movement from April 1, 2022 to March 31, 2023



Syngene and BSE Sensex 200 share price movement from April 1, 2022 to March 31, 2023

As on March 31, 2023 the securities of the Company are not suspended from trading.

Registrar and share transfer agent

The members of the Company may address all their communication relating to transfer, transmission, refund order, dividend and National Electronic Clearing system (NECS) dematerialisation, among others, to the Company's Registrar and Share Transfer agent i.e. KFin Technologies Limited at the address given below and may also write to the Company.

KFin Technologies Limited

(Unit: Syngene International Limited)
Plot 31-32, Selenium, Tower B, Gachibowli,
Financial District, Nanakramguda, Serilingampally Mandal,
Hyderabad – 500032 Telangana.
E-mail id: einward.ris@kfintech.com

Share Transfer System

All the Company's shares are held in dematerialised form, except for 96 shares that were in physical form as on March 31, 2023. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can only be transferred in demat form with effect from April 1, 2019, except in case of request for transmission or transposition of securities. The Stakeholders Relationship & ESG Committee is authorised to approve the cases for transmission or transposition of shares in the physical form, if any received as per the time limits and procedure specified in Regulation 40 of SEBI Listing Regulations, 2015. No requests for transmission or transposition of shares in the physical form were received during the year. There are no shares in Demat suspense account and unclaimed suspense account as of March 31, 2023.

Distribution of shareholding by the number of shares as of March 31,2023

Sl. No	Category	Number of Shares	% to paid up Capital
1	Promoters	220,321,511	54.88
2	Foreign Institutional Investors	93,537,225	23.30
3	NRI & Foreign Nationals	2,305,948	0.58
4	Mutual Funds, Banks, Fls, AIFs	40,758,507	10.16
5	Directors	100,000	0.02
6	Bodies Corporate	4,386,989	1.09
7	Indian Public & Others	38,181,374	9.51
8	Non-Promoter Non-Public	1,842,946	0.46
	TOTAL	401,434,500	100.00

List of shareholders holding more than 1% of the paid-up share capital as of March 31, 2023

Sl No	Name	Shareholding	% to paid up Capital
1	Biocon Limited	219,185,608	54.60
2	Government of Singapore	15,780,410	3.93
3	ICICI Prudential Pharma Healthcare and Diaganostic	8,758,916	2.18
4	Government Pension Fund Global	7,377,314	1.84
5	UTI-Unit Linked Insurance Plan	5,570,637	1.39
6	Mirae Asset Focused Fund	5,016,217	1.25
7	Invesco India Arbitrage Fund	4,579,666	1.14
Total		266,268,768	66.33

Distribution of shareholding by number of shares as on March 31, 2023

Sl. No	Category	No. of shareholders	Total shares	% to shareholders	% to paid-up share capital
1	1 - 5,000	114,600	10,600,796	89.57	2.64
2	5001 - 10,000	7,011	5,136,474	5.48	1.28
3	10001 - 20,000	3,520	4,986,116	2.75	1.24
4	20,001 - 30,000	926	2,294,325	0.72	0.57
5	30,001 - 40,000	425	1,496,184	0.33	0.37
6	40,001 - 50,000	256	1,167,110	0.20	0.29
7	50,001 - 100,000	489	3,502,359	0.38	0.87
8	100,001 & Above	722	372,251,136	0.57	92.74
Total		127,949*	401,434,500	100.00	100.00

*Note: The number of shareholders consolidated as per their permanent account number is 124014.

Dematerialisation of shares and liquidity

Syngene's shares are available for trading only in electronic form. We have established connectivity with both the depositories, namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) allotted to the shares under the Depository System is INE398R01022.

Other outstanding instruments

There are no outstanding GDR/ADR/warrants/any convertible instruments as on March 31, 2023.

Commodity price risk or foreign exchange risk and hedging activities

The Company has Foreign Exchange Risk Management Policy. Accordingly, during the financial year, the Company has managed the foreign exchange risk and hedged to the extent considered necessary. The details of foreign currency exposure and hedging are disclosed in notes to the financial statements.

Statement showing un-claimed dividend as at March 31, 2023

Section 124 of the Act read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") stipulates transfer of dividend that has remained unclaimed for a period of seven years, from the unpaid dividend account to IEPF. Further, the Rules also stipulate transfer of shares in respect of which the dividend has not been paid or claimed for a period of seven consecutive years or more to the demat account of the IEPF Authority.

The Company has appointed a Nodal Officer under the provisions of the Rules, the details of which are available on the website of the Company at <https://www.syngeneintl.com/investors/investor-contact/>

The Company, to the requirement of the IEPF Rules, had in December 2022 sent the reminder letters to shareholders to claim the unclaimed shares due for transfer. The Company, under investor's initiatives, has also sent the reminder letters to all the respective shareholders to claim the below mentioned unclaimed dividend amount.

The unclaimed dividend amounts, along with their due dates for transfer to IEPF, are mentioned below:

Sl. No.	Year	Nature	Dividend amount per Share (in Rs.)	Amount of unclaimed dividend/IPO refund as at March 31, 2023 (in Rs.)	Due date for transfer of unclaimed dividend amount to IEPF (IEPF rule 3(1))
1	2015-16	Interim Dividend	1.00	56,447.00	April 16, 2023*
2	2016-17	Final Dividend	1.00	50,937.00	September 1, 2024
3	2017-18	Final Dividend	1.00	53,613.00	September 28, 2025
4	2018-19	Final Dividend	0.50	39,045.00	August 29, 2026
5	2021-22	Final & Special Dividend	1.00	76,886.00	August 24, 2029

During the year, pursuant to the provisions of Section 124(5) of the Companies Act, 2013 and IEPF Rules, the Company has transferred the unclaimed IPO amount Rs. 1,049,400 to the IEPF Authority.

*Note: The amount will be transferred within 30 days of such amount becoming due to be credited to the Fund as per Rule 5(1) of IEPF Rules

Plant Locations

Biocon Park SEZ, Plot No. 2, 3, 4 & 5 Bommasandra Industrial Area, Phase IV, Jigani Link Road, Bengaluru-560099	113-C – 2, Bommasandra Industrial Area, Attibele, Hobli, Anekal Taluk, Bengaluru-560099
Syngene International Limited, IP-38 (Part), IP-39, IP-46, & IP-60, Kalavar and Bajpe village, Surathkal Hobli, Mangalore Taluk, Dakshina Kannada District, Karnataka	Building 9000, Plot No. 7, Survey Nos. 542, MN Park, Synergy Square 2, Genome Valley, Kolthur (V), Shameerpet (M), Medchal District, Hyderabad, Telangana -500078

Address for Correspondence

Financial Disclosure Sibaji Biswas President – Finance & Chief Financial Officer Tel: 91 80 – 6891 9807 E-mail id: sibaji.biswas@syngeneintl.com	For queries related to shares / dividend / compliance Priyadarshini Mahapatra Company Secretary and Compliance Officer Tel.: 91 80 - 6891 8781 E-mail id: priyadarshini.mahapatra@syngeneintl.com
Media Shotorupa Ghosh Corporate Communications Tel: 91- 8450977080 E-mail id: Shotorupa.Ghosh@syngeneintl.com	Investor Relations (Investors & Research Analysts) Krishnan G Investor Relations Tel: 91 80 – 6891 9807 E-mail id: Krishnan.G@syngeneintl.com
Regd. Office Address Syngene International Limited Biocon Park SEZ, Bommasandra Industrial Area, Phase IV, Jigani Link Road, Bengaluru 560 099 Tel: 91 80 – 6891 5000 E-mail id: investor@syngeneintl.com	Registrar and Share Transfer Agent KFin Technologies Limited (Unit: Syngene International Limited), Plot 31-32, Selenium, Tower B, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Tel: 91 040 – 6716 1518 E-mail id: einward.ris@kfintech.com

Credit Rating

During the year, CRISIL Ratings Limited (“CRISIL”) vide its letter dated November 30, 2022, had removed the long-term rating from watch with developing implications and has reaffirmed the long-term rating at “CRISIL AA+/Stable”. The short-term rating has been reaffirmed at “CRISIL A1+”

During the year, ICRA Limited (“ICRA”) vide its letter dated November 17, 2022, has removed the short-term rating from watch with developing implications and has reaffirmed the short-term rating at “ICRA A1+”. The long-term rating has been reaffirmed at “ICRA AA+ on watch with developing implications”.

Other disclosures

I. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large.

During the financial year, no materially significant related party transactions that may have potential conflict with the interests of the Company at large, have been entered into.

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 except for one transaction with a wholly-owned subsidiary, which was approved at book value as per the methodology defined under the Income Tax Act, details of which are mentioned in the Form AOC 2 attached as Annexure 2 to the Board’s Report. None of the transactions attracted provisions

of Section 188 of the Companies Act, 2013, relating to approval of shareholders. However, prior approval from the Audit Committee was obtained for transactions, which were repetitive and in the normal course of business. Further, reports on the transactions entered into are also placed before the Audit Committee and the Board on a quarterly basis for review. Details of related party transactions are also presented in the notes to financial statements.

II. Details of non-compliance by the listed entity, penalties and strictures imposed on the listed entity by Stock Exchange(s) or the Board or any statutory authority, on any matter related to capital markets, during the last three years:

During the financial year, the Company has complied with all the requirements of the Stock Exchange(s), SEBI or any other statutory authority on all matters related to capital markets. Additionally, there were no non-compliance, penalties or strictures imposed on the Company by the Stock Exchange(s) or the Board or any other statutory authority.

III. Establishment of the whistle-blower/vigil mechanism and affirmation that no personnel have been denied access to the Audit Committee

The Company’s Whistle Blower policy allows employees, directors and other stakeholders to report genuine grievances, corruption, fraud, misconduct, misappropriation of assets and non-compliance of code of conduct of the Company or any other unethical practices. The Policy provides adequate safeguard against

victimisation to the Whistle Blower and enables them to raise concerns to the Integrity Committee and also provides an option of direct access to the Chairperson, Audit Committee. The Company has published the e-mail ID to send e-mails directly to the Audit Committee Chairman in the Whistle Blower policy. Syngene has engaged "Navex Global" to provide online platform to raise complaints by whistle blower. During the year, none of the employees have been denied access to the Chairman of the Audit Committee.

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

IV. Details of compliance with mandatory requirements and adoption of non-mandatory/discretionary requirements

The Company has complied with all mandatory requirements of corporate governance as specified under SEBI Listing Regulations, 2015. It has also complied with few non-mandatory/discretionary requirements as specified in Part E of Schedule II.

V. Adoption of discretionary requirements as specified in Part E of Schedule II

The Company fulfils the following discretionary requirements pursuant to Section 27 (1) of the SEBI Listing Regulations read with Part E of Schedule II:

- The Company is in the regime of unqualified financial statements.
- The Internal Auditors report directly to the Audit Committee.
- The posts of the 'Non-Executive Chairperson' and 'Managing Director & Chief Executive Officer' are held by separate individuals with effect from April 01, 2020. The Non- executive Chairperson is entitled to maintain the chairperson's office at the listed entity's expense and is also allowed reimbursement of expenses incurred in performance of her duties.

VI. Disclosure of accounting practices

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules,

2015 notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Company's financial statements up to and for the year ended March 31, 2016 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act, read together with Paragraph 7 of the Companies(Accounts) Rules, 2014 ('previous GAAP').

These financial statements have been prepared for the Company as a going concern based on relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2023. These financial statements were authorised for issuance by the Board on April 26, 2023.

VII. Policy for determining material subsidiaries

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.

VIII. Policy for determining Related Party transactions

The Company has formulated a policy on materiality of related party transactions and on dealings with such transactions. This is available on the Company website at <https://www.syngeneintl.com/investors/corporate-governance/governance-reports-policies/>.

IX. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

The Company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) during the FY 2022-23.

X. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor.

BSR & Co. LLP are the Statutory Auditors of the Company. They also audit the financial statements of Syngene USA Inc., Syngene Scientific Solutions Limited and Syngene Manufacturing Solutions Limited, the wholly owned subsidiaries of the Company. The details of payment made to them on consolidated basis are available in Note no. 25 of the Consolidated Financial Statements.

XI. Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

S.No.	Particulars	Number of Complaints
1	Number of complaints filed during the financial year	2
2	Number of complaints disposed of during the financial year	2
3	Number of complaints pending as at the end of the financial year	-

XII. Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount

Neither the Company nor its Subsidiary has given any loan or Loans and advances in the nature of loans to firms/ companies in which directors are interested.

Certificate from a Company Secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or to continue as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. This document is annexed to the report as Annexure A

XIII. Details relating to any recommendation of any committee of the board which are mandatorily required and not accepted by the Board, in the relevant financial year, the same to be disclosed along with reasons thereof:

All the recommendations of the Committees which were mandatorily required during the financial year were accepted by the Board.

XVI. Code of Conduct

In compliance with Regulation 26(3) of the SEBI Listing Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted the Code of Conduct for the Board and Senior Management. The Company has received confirmations from the Board and Senior Management regarding compliance of the code during the financial year under review. The Code of Conduct is available on the website of the Company at <http://www.syngeneintl.com/investor-relations/corporate-governance>. All the members of the Board and Senior Management have affirmed compliance to the Code as on March 31, 2023.

XIV. CEO and CFO Certification

As required under Regulation 17(8) of the SEBI Listing Regulations, 2015, the MD&CEO and CFO have jointly given annual certification on financial reporting and internal controls to the Board of Directors of the Company. The MD&CEO and CFO also jointly give quarterly certification on financial results while placing the results before the Board in terms of Regulation 33(2) of the SEBI Listing Regulations, 2015.

XVII. Corporate Governance Compliance Certificate

As required under Schedule V (E) of the SEBI Listing Regulations, the corporate governance compliance certificate from M/s B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W100022), Statutory Auditors of the Company, is annexed with the Directors' Report as Annexure 5.

XV. Certificate from Company Secretary in practice

As required under the SEBI Listing (Amendment) Regulations, 2018, Schedule V Part C (10) (i), the

Declaration by the CEO on the Code of Conduct

This is to confirm that the Company has adopted the Code of Ethics and Business Conduct, which is applicable to all Directors, officers and employees of the Company and this Code is posted on the Company's website. I hereby confirm that all the members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code of Ethics and Business Conduct in respect of the financial year ended March 31, 2023.

For Syngene International Limited
Jonathan Hunt

Managing Director &
Chief Executive Officer

Date: April 26, 2023
Place: Bangalore

Annexure A

Certificate of Non-Disqualification of Directors

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
SYNGENE INTERNATIONAL LIMITED
Biocon SEZ, Biocon Park, Plot.No.2 & 3,
Bommasandra Industrial Area IV Phase,
Jigani Link Rd, Bommasandra, Bengaluru - 560099

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SYNGENE INTERNATIONAL LIMITED** bearing **CIN L85110KA1993PLC014937** and having registered office at Biocon SEZ, Biocon Park, Plot. No.2 & 3, Bommasandra Industrial Area IV Phase, Jigani Link Rd, Bommasandra, Bengaluru - 560099 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA).

Details of Directors:

Sl. No.	Name of Director	DIN	Date of appointment in Company
1.	Mrs. Kiran Mazumdar Shaw	00347229	18/11/1993
2.	Ms. Vinita Bali	00032940	31/07/2017
3.	Ms. Sharmila Abhay Karve	05018751	01/08/2019
4.	Ms. Catherine Patricia Rosenberg	06422834	08/08/2000
5.	Mr. Paul Fredrick Blackburn	06958360	26/08/2014
6.	Mr. Vijay Kumar Kuchroo	07071727	01/03/2017
7.	Mr. Jonathan Brittan Hunt	07774619	01/05/2017
8.	Mr. Carl Peter Decicco	08576667	01/10/2019
9.	Mr. Kush M Parmar	09212020	22/06/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **V SREEDHARAN & ASSOCIATES**

(Devika Sathyanarayana)
 Partner
 FCS: 11323; CP No.17024
 Peer Review Certificate No.: 589/2019
 Address: No. 291, 1st Floor, 10th Main Road,
 3rd Block, Jayanagar, Bengaluru - 560011.

Place: Bengaluru
 Date: April 26, 2023
 UDIN: F011323E000194651

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the listed entity L85110KA1993PLC014937
2. Name of the listed entity Syngene International Limited
3. Year of incorporation 1993
4. Registered office address Syngene International Limited
Biocon SEZ, Biocon Park, Plot No. 2 & 3,
Bommasandra Industrial Area IV Phase, Jigani
Link Rd, Bommasandra, Bangalore - 560099,
Karnataka, India
5. Corporate address Syngene International Limited
Block II, First Floor, Velankani Technology Park,
Electronic City Phase I, Bangalore - 560100,
Karnataka, India
6. E-mail investor@syngeneintl.com
7. Telephone 080-6891 9191
8. Website www.syngeneintl.com
9. Financial year for which reporting is being done 2022-2023
10. Name of the Stock Exchange(s) where shares are listed BSE Limited
National Stock Exchange of India Limited
11. Paid-up Capital Rs. 401,43,45,000
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report Ms. Priyadarshini Mahapatra
Tel.: 080-6891 9191
Email Id: investor@syngeneintl.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together) Disclosures made in this report are on a standalone basis

II. Products /Services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Contract research, development and manufacturing services	Provide scientific solutions through integrated research, development and manufacturing	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/Service	NIC Code*	% of Turnover of the entity
1.	Contract research, development and manufacturing services	NIC code: 72 (Scientific Research and Development)	100%

*As per National Industrial Classification – Ministry of Statistics and Programme Implementation

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
Bangalore	2	2	4
Mangalore	1	0	1
Hyderabad	2	0	2

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	8
International (No. of Countries)	35

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contribute to ~95% of the revenue from operations for FY23.

c. A brief on types of customers:

Syngene offers services in a wide range of industrial sectors, including pharmaceutical, biotechnology, nutrition, animal health, consumer goods and specialty chemical. The clientele of Syngene includes:

- Large Biopharma (Companies with R&D spend greater than \$1 Bn)
- Mid-sized Biopharma (Companies with R&D spend less than \$1 Bn and greater than \$200 Mn)
- Emerging Biopharma (Companies with R&D spend less than \$200 Mn).
- Animal Health Companies
- Agrochemical (Companies focussed on largely agriculture and nutrition segments)
- Chemical/Polymers (Performance and specialty materials and chemicals)

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No.(B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	6847	4965	72.5%	1882	27.4%
2.	Other than Permanent (E)	313	211	67.4%	102	32.5%
3.	Total employees (D + E)	7160	5176	72.2%	1984	27.7%
WORKERS						
4.	Permanent (F)	Nil	Nil	Nil	Nil	Nil
5.	Other than Permanent (G)	1454	1243	85.5%	211	14.5%
6.	Total workers (F + G)	1454	1243	85.5%	211	14.5%

b. Differently abled employees and workers*:

S. No.	Particulars	Total (A)	Male		FEMALE	
			No.(B)	% (B / A)	NO. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	1	1	0%	Nil	Nil
2.	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	Total differently abled employees (D + E)	1	1	0%	Nil	Nil
DIFFERENTLY ABLED WORKERS						
4.	Permanent	Nil	Nil	Nil	Nil	Nil
5.	Other than Permanent (G)	Nil	Nil	Nil	Nil	Nil
6.	Total differently abled workers (F + G)	Nil	Nil	Nil	Nil	Nil

Employees and workers have been categorised as follows:

Permanent employees: all permanent employees on the payroll (full-time and part-time)

Other than permanent employees: Contractual associates, interns, trainees, partners

Permanent Workers: (none)

Other than permanent workers: casual staff, administration, security, housekeeping

*Based on self-declaration at joining

19. Participation/inclusion/representation of women

	Total (A)	No. and percentage of females	
		No.(B)	% (B / A)
Board of Directors	9	4	44.44%
Key Management Personnel	3	1	33.33%

*Mr. Jonathan Hunt, Managing Director & CEO, is a member of the Board of Directors and is also considered a Key Managerial Personnel

20. Turnover rate for permanent employees and workers

	FY23			FY22			FY21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22.2%	30.4%	24.4%	24.2%	28.1%	25.2%	16.4%	17.8%	16.8%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

V. Holding, subsidiary and associate companies (including joint ventures)

21. (a) Names of holding /subsidiary /associate companies /joint ventures:

S. No.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether holding/ subsidiary/ associate/joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity?
1.	Biocon Limited	Holding	-	No
2.	Syngene USA Inc.	Subsidiary	100%	No
3.	Syngene Scientific Solutions Limited	Subsidiary	100%	No
4.	Syngene Manufacturing Solutions Limited	Subsidiary	100%	No

VI. CSR Details

22. (i) Whether CSR is applicable as per Section 135 of the Companies Act, 2013: Yes

(ii) **Turnover:** Rs. 31,935 Mn as on March 31, 2023

(iii) **Net worth:** Rs. 36,189 Mn as on March 31, 2023

VII. Transparency and disclosures compliances

23. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (Yes/No) (If Yes, then provide web-link for grievance redress policy) [®]	FY23			FY22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholders)	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Employees and workers	Yes	09	Nil	Nil	07	Nil	Nil
Customers	Yes	11	Nil	NA	03	Nil	NA
Value Chain Partners	Yes	22	Nil	Nil	24	Nil	Nil
Other (please specify)	NA	NA	NA	NA	NA	NA	NA

@Some of the policies guiding the Company's conduct with its stakeholders, including grievance mechanisms are placed on the Company's website. The weblink is <https://www.syngeneintl.com/investors/corporate-governance/governance-reports-policies>. In addition, there are internal policies placed on the intranet of the Company.

24. Overview of the entity's material responsible business conduct issues

Indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Risk arising from inability to ensure adequate management of safety hazards within operations.	Risk	This risk is inherent in the nature of our business as we store, move and handle hazardous materials	<ul style="list-style-type: none"> • Safety is a primary concern across all operations and extensive efforts are made to establish a "safety first" mindset with all staff from their first day of employment and throughout their tenure with the company • A company-wide safety program, KAVACH, provides a governance framework, training and best practices around safety. • Safety consciousness is driven through communication campaigns and is reinforced through strictly monitored safety operating protocols • Near miss reporting is encouraged and learnings are discussed and shared across the organisation • Safety leadership has been made integral to all line managers' roles and is explicitly included in job descriptions and performance targets • Safety performance for individuals, teams, divisions and the company is a factor in performance and reward assessments • Safety behaviors and mindset are a factor in selection and promotion decisions 	Negative - Safety hazards may have negative implications including loss of life, property, financial and reputation damage

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Promotion of inclusion and diversity	Opportunity	A diverse and inclusive workforce brings new ideas and experiences which can help drive innovation for long-term value creation. It is our constant endeavor to provide an inclusive work environment to our employees and celebrate their uniqueness.	Not Applicable	Positive - A pool of diverse workforce from different genders, ages, ethnicities, and special abilities helps drive innovation, stimulates new thinking, and creates a more productive environment overall.
3	Risk of non-compliance to environmental / health/ safety regulations leading to loss of license to operate/ reputational damage	Risk	Due to the inherent nature of business, the Company must comply with environmental, health and safety regulations.	<p>Risk mitigation of regulatory non-compliance follows a strategy that involves identification, resolution and escalation:</p> <ul style="list-style-type: none"> • Identify the applicable Acts, Regulations and the requirements arising therefrom • Validate and initiate actions for compliance • Monitor for changes in laws, check their applicability, and implement the changes • Governance on actions undertaken • Software/tool-based approach being used for identification of gaps in compliance to all environment, health and safety regulations • Constant engagement with regulatory authorities to identify actions required to ensure all approvals are in place 	Negative - Non-compliance may have negative implications, including legal, regulatory, financial and reputational loss

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				<ul style="list-style-type: none"> Working in collaboration with Biocon group companies to ensure all 'group-level' compliance commitments are met. Compliance assurance done through Synpliance , Compliance Management Tool and supported by a specialised legal and regulatory help desk, ensuring compliance monitoring. 	
4	Risk arising from inadequate controls leading to loss of data	Risk	Risk is inherent to Syngene's business as we store critical information on IT infrastructure	<p>Technology: A multi-layer cyber security approach with best-in-class cyber security solutions has been deployed. This framework is constantly reviewed and upgraded to address the emerging threats</p> <p>Process: Established governance over the management of cybersecurity using international standards like ISO27001 with vulnerability assessments regularly conducted to stress test the system. Program to monitor potential confidential data leakage</p> <p>People: Continuous education and awareness of employee on cyber threats and phishing risk</p>	Negative - Non-compliance can lead to legal, financial, reputational and regulatory implications.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Risk arising from failure to uphold high standards of business integrity and ethics	Risk	As Syngene's clients are mainly located in the U.S. and Europe, all contracts are covered by the legislation of the respective jurisdictions	<p>The approach to risk mitigation has 4 elements - the establishment of a company ABAC policy (which also applies to suppliers); Mandatory training for all employees every year; a program of supplier assessments conducted by a third party; and constant communication reinforcing the importance of ABAC Policy</p> <p>Implementation of ABAC Policy:</p> <ul style="list-style-type: none"> A companywide Anti-bribery and Anti-Corruption (ABAC) policy has been rolled out which covers all employees and partners of Syngene <p>Conducting Training:</p> <ul style="list-style-type: none"> Specific annual mandatory learning modules on ABAC policy and procedures has been rolled out for all employees in FY23 All employees are required to complete an annual mandatory online training on Code of Conduct and ethical practices which includes anti bribery aspects also <p>Vendor Assessment:</p> <ul style="list-style-type: none"> ECOVADIS, global ESG assessor, onboarded to scan full base of vendors and rollout a process to create a sustainable and compliant supply chain ABAC compliance is completed for ~68% of the total active vendor base. ABAC assessment for all critical vendors was completed in March 2021; ABAC assessment for all new vendors prior to on-boarding is implemented from April 2021 ABAC governance structure implemented through the Compliance Management Tool-Synpliance <p>Regular Communications:</p> <ul style="list-style-type: none"> Regular communications are sent to vendors reinforcing zero tolerance for ABAC violations 	Negative - Non-compliance can lead to legal, financial, reputational and regulatory implications.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Delay or disruption in sourcing raw materials, equipment and spares in a timely manner due to disruption in local or global supply chain thereby leading to delayed delivery of services to clients. Not able to source cost effectively will reduce Syngene's competitiveness.	Risk	Syngene manages a complex supply chain that requires niche sourcing skills, timely delivery and demanding specifications from its suppliers	The issue of sourcing resilience is managed by the following program: <ul style="list-style-type: none"> • Build a local ecosystem of raw materials supply • Aggregating demand to convince global suppliers to open local warehouses to support the Indian CRDMO industry • Creating deep category capabilities • Building resilience in logistics • Building skill-based teams for sourcing, procurement operations and business partnering backed by digitised processes, analytics and sustainable governance practices 	Negative - This risk may have negative implications, including loss of business, financial and reputational loss
7	Risk arising from not being aligned with large pharma clients' sustainability goals thereby getting excluded from clients' procurement activity	Risk	Aligning to clients' sustainability goals is critical in our nature of business	Mitigation action has been initiated to determine science-based -targets and ensure delivery across operations to meet required annual emission reduction targets.	Negative – This risk may have negative implications, including loss of business
8	Capital allocation and productivity	Opportunity	Capital allocation and productivity channelises financial resources into meaningful investments and expenditures based on the defined strategy.	Not Applicable	Positive – creates value for stakeholders
9	Community Engagement	Opportunity	It enables us to create shared value for our local communities to foster social and economic equity primarily focused on community health, environmental sustainability, research and science education	Not Applicable	Positive- Building sustainable solutions in the community

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines for Responsible Business Conduct (NGRBC) Principles and Core Elements. The NGRBC as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

- P1 Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
- P2 Businesses should provide goods and services in a manner that is sustainable and safe
- P3 Businesses should respect and promote the well-being of all employees, including those in their value chains
- P4 Businesses should respect the interests of and be responsive towards all its stakeholders
- P5 Businesses should respect and promote human rights
- P6 Businesses should respect, protect and make efforts to restore the environment
- P7 Businesses when engaging in influencing public and regulatory Policy, should do so in a manner that is responsible and transparent
- P8 Businesses should promote inclusive growth and equitable development
- P9 Businesses should engage with and provide value to their consumers in a responsible manner

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and management processes									
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	N*	Y	Y
	*Syngene, through regular engagement with specific external stakeholders, regulatory authorities and industrial associations, plays an active role in influencing public policies. While the Company may share its expertise to help in the formulation of public policies, it does not directly engage in lobbying or advocacy activities and hence, does not have a specific policy for this purpose.									
	b. Has the Policy been approved by the Board? (Yes/No)	The Policies have been approved by the Board or the respective Board committees/ MD & CEO/ Executive Committee members within their delegated powers. The Board of Directors on the recommendation of the Stakeholders' Relationship and ESG Committee has also approved the Business Responsibility Policy covering the nine NGRBC principles at its meeting held on April 26, 2023.								
	c. Web Link of the Policies, if available	All policies are available on the intranet for internal stakeholders. However, policies applicable to external stakeholders are hosted on the Company's website at https://www.syngeneintl.com/investors/corporate-governance/governance-reports-policies/								
2.	Whether the entity has translated the Policy into procedures. (Yes / No)	Yes. The Company has translated the policies into procedures and practices, as applicable.								
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. The Supplier's Code of Conduct, as well as Sustainable Procurement Policy, largely cover the abovementioned principles and the value chain partners are expected to adhere to the requirements outlined.								

4.	<p>Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</p>	<p>P2</p> <ul style="list-style-type: none"> • ISO Certificate for Quality Management System (ISO 9001:2015) • GxP standards (the global standard for documentation-ALCOA+) • USFDA Good Manufacturing Practices • EU Good Manufacturing Practices • Japan Good Manufacturing Practices • India Good Manufacturing Practices (as per Schedule – M of Drugs and Cosmetics Act) • Organisation for Economic Co-operation and Development (OECD) guidelines • ICH Series guidelines • ISO Certificate of Registration for Medical Device Quality Management (ISO 13485:2016) • GLP (Good Laboratory Practices) Certification by the National GLP Compliance Monitoring Authority, Government of India • ISO IEC 17025:2017, National Accreditation Board for Testing and Calibration Laboratories (NABL) • ISO 15189:2012, NABL and College of American Pathologists (CAP) for Clinical and Molecular diagnostics • Accredited for bioequivalence / bioavailability and Phase I studies on healthy volunteers by US FDA – USA, MHRA / EMA – U.K. and ANVISA – Brazil • ISO Certificate for Information security management System (ISO/IEC 27001:2013) • AAALAC certification for handling Animals • ISO certificate for energy management for manufacture of active pharmaceutical ingredient (ISO 50001: 2018) for Syngene Mangalore plant <p>P3</p> <ul style="list-style-type: none"> • ISO Certificate for Occupational Health and safety management System (ISO 45001:2018) <p>P6</p> <ul style="list-style-type: none"> • ISO Certificate for Environment Management System (ISO 14001:2015)
5.	<p>Specific commitments, goals and targets set by the entity with defined timelines, if any.</p>	<p>Syngene's ESG strategy primarily includes:</p> <ul style="list-style-type: none"> • Green chemistry solutions promoted to all clients in proposals • Membership of the UN Global Compact • Commit to Science-based targets and prioritise climate action on emission reduction (scope1, scope 2, scope 3) • Continue energy conservation program to reduce carbon footprint; new projects to adopt energy efficiency design through green buildings • Operations to continue applying the 3Rs approach to environmental management, focusing on energy, water and waste • Consideration of ESG parameters, supplier diversity and Anti Bribery Anti-Corruption compliance for sourcing decisions • ESG assessments for all tier-one suppliers • 100% of employees to complete 4 'Licence to operate' training modules every year concerning: Code of ethics and business conduct; data integrity; prevention of sexual harassment; information security awareness • Create a diverse and inclusive workplace that enables everyone to deliver their best

6.	<p>Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.</p>	<p>The performance of the entity against the specific commitments is as under:</p> <p>Responsible Procurement:</p> <ul style="list-style-type: none"> Partnered with Eco-Vadis for benchmarking on ESG parameters and evaluated 131 principal suppliers entailing 275+ suppliers till FY23. Completed ABAC compliance for 2446 vendors. 161 vendors completed 14 different safety training in FY23. 40 vendor site safety audits conducted in FY23 which is approx. 66% of high-risk vendors. <p>Operational Excellence:</p> <ul style="list-style-type: none"> In FY23 the operations showed an average 2% improvement compared to FY22 in on-time delivery to clients. <p>Quality Management:</p> <ul style="list-style-type: none"> 78 audits of operations conducted in FY23 <p>Talent Acquisition:</p> <ul style="list-style-type: none"> In FY23, 402 new graduates were hired; 54% were women <p>Diversity and inclusion at workplace:</p> <ul style="list-style-type: none"> 32% of new hires for FY23 were women Women at the Senior Management level are at 20% compared to 11% in FY22 <p>Recycling, reuse and disposal of waste:</p> <ul style="list-style-type: none"> 90.75% of total hazardous and non-hazardous waste generated from operations was recycled in FY23 Total waste water reused and recycled: 71389 KL Total waste water reused: 37367 KL (21%) Total waste water recycled: 34022 KL (19%) 77% of total hazardous and non-hazardous waste recycled <p>Occupational Health and Safety:</p> <ul style="list-style-type: none"> Lost Time Injury Frequency Rate (LTIFR) for FY23: Employees 0.08 Lost Time Injury Frequency Rate (LTIFR) LTFIR for FY23: Contractors 0.58 <p>Reduction in energy consumption:</p> <ul style="list-style-type: none"> 3.8% energy savings achieved 2683 metric tons of CO₂ emissions avoided <p>Responsible usage of water:</p> <ul style="list-style-type: none"> 40% freshwater savings achieved
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Governance, leadership and oversight		
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure): Refer page 24 of the Annual report, 'Message from the Managing Director and CEO	
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The governance related to Business Responsibility policies is implemented and reviewed by the Executive Committee, with oversight from the Stakeholders Relationship and ESG Committee of the Board.
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Stakeholders Relationship and ESG Committee is responsible for decision-making on sustainability-related issues. In addition, the Risk Management Committee also assesses risks pertaining to specific principles of business responsibility as identified by Committee.
10.	Details of review of NGRBCs by the Company:	
	Subject for review	Indicate whether review was undertaken by Director / Committee of the Board/ any other Committee together with the frequency of the review
	Performance against above policies and follow up action	The Stakeholders Relationship and ESG Committee of the Board assesses the Business Responsibility (BR) and ESG performance of the Company on a quarterly basis and reports to the Board. The Board assesses the report on BR on an annual basis based on the recommendation of the Stakeholders Relationship and ESG Committee.
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Board reviews the status of compliance with all applicable statutory requirements on a half-yearly basis.
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	An internal review of the workings of the policies has been carried out. However, no external evaluation/assessment has been undertaken.
12.	If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated: Principle 7- Syngene, through regular engagement with specific external stakeholders, regulatory authorities and industrial associations, plays an active role in influencing public policies. While the Company may share its expertise to help in the formulation of public policies, it does not directly engage in lobbying or advocacy activities and hence, does not have a specific policy for this purpose. However, the Board of Directors on the recommendation of the Stakeholders' Relationship and ESG Committee has approved the Business Responsibility Policy covering the nine NGRBC principles at its meeting held on April 26, 2023.	

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable

Essential Indicators		
1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:		
Segment	Total number of training and awareness programmes held and topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors (BOD)	The Company conducted familiarisation programmes for its Board of Directors during the year which covered topics such as cybersecurity and ransomware attack, strategy building, customer interactions. Business model and overview of business units and other updates were provided and CSR field trip was also arranged	CSR field trip – 55% Others - 100%
Key Managerial Personnel (KMP)	Training was undertaken on various topics namely Code of Ethics, Integrity and Whistle-Blower Policy, Information Security, Job Description Addendum for Operating Units/ Department Heads, Phishing and Social Engineering Awareness, Code of Conduct for Prevention of Insider Trading, Prevention of Sexual Harassment (POSH) Awareness for Remote Workforce, Data Integrity & Data Privacy	Code of Ethics – 100% Information Security – 33% Prevention of Sexual Harassment – 33% Data Integrity – 100% Job Description Addendum for Operating Units/ Department Heads - 67%
Employees other than BoD and KMPs	All employees undergo various training programs throughout the year. Training was undertaken on various topics/aspects namely behavioral competency based training, emerging leadership development program, technical, Code of ethics, information security, POSH remote work force, data integrity	Behavioural – 35% Competency Based Training – 3% Managerial development Program – 8% Technical – 57% Code of ethics – 100% Information security -100% POSH remote work force – 100% Data Integrity – 100%
Workers	60 sessions were conducted Training Topics: 1) Company Policy and POSH. 2) Employee and workplace Safety. 3) Skill Development and Data integrity. 4) Personality Development.	84% Covered

NOTE:

As part of sustaining the license to operate, every employee must complete the eLearning modules on: Code of Ethics and Business Conduct, Prevention of Sexual Harassment (POSH), Information Security and Data Integrity. Any employee who joins the organisation goes through the induction where these four topics are covered, and they are assigned these modules with a due date of 30 days. This is also an annual activity for all other employees.

2. Details of fines/penalties/punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website): Nil

3. Of the instances disclosed in Question 2 above, details of the appeal/revision preferred in cases where monetary or non-monetary action has been appealed: Nil

4. Does the entity have an anti-corruption or anti-bribery Policy? If yes, provide details in brief and if available, provide a web-link to the Policy.

Yes. The Company has implemented the anti-bribery and anti-corruption Policy together with its governance framework. The Policy is committed to conducting business in an honest and ethical manner and displays zero-tolerance towards bribery and corruption. All employees of the Company or any Group Company or any person working on behalf of the Company in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with the Company, wherever located are bound by the Policy to uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which the Company operates.

As an organisation driven by ethics and fairness, Syngene is committed to conducting its business activities in accordance with all applicable laws and regulations that prohibit bribery or corruption such as the Prevention of Corruption Act, 1988, U.S. Foreign Corrupt Practices Act ("FCPA"), and U.K. Bribery Act and all other anti-bribery laws of the countries where Syngene and its clients operate. This prohibition against bribery and corruption is a cornerstone of Syngene's commitment to conducting business in an ethical manner, which is one of the core values reflected in Syngene's Code of Ethics and Business Conduct. Syngene expects all its employees and business partners to abide by the Anti-bribery Anti-corruption standards.

The laws relating to bribery and corruption apply across the borders and Syngene including its suppliers rendering services to its clients can jointly and individually be held liable for any such offenses.

The Syngene Anti-Bribery and Anti-Corruption Statement is hosted on the Company's website at: <https://syngene-aws-storage01.s3.ap-south-1.amazonaws.com/wp-content/uploads/2021/04/08142526/Syngene-Anti-Bribery-Anti-Corruption-Statement.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption: Nil

6. Details of complaints with regard to conflict of interest: Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest: Not Applicable

Leadership Indicators			
1.	Awareness programmes conducted for value chain partners on any of the Principles during the financial year:		
	Total number of awareness programmes held	Topics/ principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
	29 Training	Construction related Safety training-1 Chemical Handling & Storage-2 Fire Safety training-3 Road Safety training-1 ESG Benchmarking-1 Gas Cylinder Safety-2 Emergency Response Training-1 Vendor safety Training-14 First Aider Training - 2 Safety Cupboard content & SCBA set training - 1 Rescue Safety Training - 1	~50 % of respective Category vendors were covered
	40 vendor audits	Audit on Safety Parameters	40 vendors (representing 66% of high risk vendors) were audited and reports were shared together with actions

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has in place a “Code of Ethics and Business Conduct” and a ‘Policy on Related Party Transactions’, which provide the processes to avoid/manage conflict of interest and are applicable to the board members. Transactions with the board members or any entity in which such board members are concerned or interested are required to be approved by the Audit Committee and the Board of Directors. In such cases, the interested directors abstain from the discussions at the meeting. The web link of the abovementioned policies is mentioned below:

<https://cdn.syngeneintl.com/2022/08/24154649/Code-of-Ethics-and-Business-Conduct.pdf>

<http://cdn.syngeneintl.com/2022/08/29153510/Policy-on-Related-Party-Transactions.pdf>

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators				
1.	Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.			
		FY23	FY22	Details of improvements in environmental and social impacts
	R&D [®]	Nil	Nil	NA
	Capex	Nil	Nil	NA

[®] Syngene is in the business of performing Research & Development activities on behalf of its clients on a contract basis. Syngene does not incur any Research & Development expenditure on its own.

2. a. Does the entity have procedures in place for sustainable sourcing?

Yes. The Company has implemented sustainable sourcing procedures in line with its Sustainable Procurement Policy, which became effective in December 2021 and was reviewed and revised in January 2022. Measuring and accounting for how the suppliers impact the natural world is an emerging necessity. The Company has embarked on a program of ESG assessment for suppliers to add to the assessments of compliance with the Supplier Code of Conduct.

(Weblink : <https://cdn.syngeneintl.com/2022/01/28202053/Sustainable-Procurement-policy-2022.pdf>)

<https://cdn.syngeneintl.com/2022/01/27163931/Supplier-code-of-Conduct-2022.pdf>

b. If yes, what percentage of inputs were sourced sustainably?

Currently, with our ESG rating agency (Eco-Vadis) we have started assessing our High Risk & top spend vendors basis nature of their business. Till date we have assessed approx. 132+ principal vendors who contribute to ~35% of our total spend.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Syngene is not a Brand owner under plastic rules, thus reclaiming is not in the scope. However, plastic waste generated in our operations are handed over to authorised plastic recycling partners. E-wastes, other wastes and hazardous wastes are disposed through State Pollution Control Board authorised waste handling partners.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Syngene falls under the category of Importer under Producers, Importers and Brand Owners (PIBO) and we have obtained the registration from Karnataka State Pollution Control Board. Plastic waste generated in our operations are handed over to authorised plastic recycling partners and the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Board.

Leadership Indicators	
1.	Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? No
2.	If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same There is no significant social or environmental concerns and/or risks identified. Nil
3.	Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry). Nil. The Company is largely a Contract Research Organisation (CRO) and is gradually expanding its services to become a Contract Development and Manufacturing Organisation(CDMO).
4.	Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed: Nil. The Company is largely a Contract Research Organisation (CRO) and is gradually expanding its services to become a Contract Development and Manufacturing Organisation (CDMO).
5.	Reclaimed products and their packaging materials (as percentage of products sold) for each product category. Nil. The Company is largely a Contract Research Organisation (CRO) and is gradually expanding its services to become a Contract Development and Manufacturing Organisation (CDMO).

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators												
1.	a. Details of measures for the well-being of employees:											
	Category	% of employees covered by										
		Total (A)	Insurance ¹		Accident insurance		Maternity benefits ²		Paternity Benefits		Day Care facilities ³	
			Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
	Permanent											
	Male	4965	4965	100%	4965	100%	NA	NA	4965	100%	4965	100%
	Female	1882	1882	100%	1882	100%	1882	100%	NA	NA	1882	100%
	Total	6847	6847	100%	6847	100%	1874	100%	4965	100%	6847	100%
	Other than Permanent Employees											
	Male	NA										
Female	NA											
Total	NA											

b. Details of measures for the well-being of workers:											
Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities ³	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% E/A)	Number (F)	% (F/A)
Permanent workers											
Male	NA										
Female	NA										
Total	NA										
Other than Permanent workers ⁴											
Male	131	131	100%	131	100%	NA			131	100%	
Female	02	02	100%	02	100%	NA			02	100%	
Total	133	133	100%	133	100%	NA			133	100%	

1. Health insurance, accidental insurance is provided to all full-time/permanent employees only.
2. Male employees can claim maternity related expenses (medical hospitalisation) for their spouses.
3. Organisation-wide we have a tie-up with day care facility providers, which our employees and workers can use as needed.
4. The above stated casual workers (other than Permanent workers) are covered under private health and accidental insurance benefits. The remaining workers are covered under the Employees' State Insurance Act, 1948

2. Details of retirement benefits, for FY23 and the previous financial year.

Benefits	FY23			FY22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
Provident Fund ¹	100%	100%	Yes	100%	100%	Yes
Gratuity ²	100%	100%	NA	100%	100%	NA
ESI	0.1%	90.85%	Yes	2.61%	93.39%	Yes
Others – please specify (National Pension Scheme) ⁴	3.17%	NA	Yes	2.70%	NA	Yes

1. All full-time employees are covered under Provident fund and Gratuity act as per appointment letters.
2. Gratuity is paid to eligible exiting employees through full and final settlements.
3. NPS is a long-term investment tool extended to corporate employees by the Government of India. Employees can make a voluntary contribution of up to 10% of basic salary. The total amount is eligible for tax exemption u/s 80CCD (2) of the Income Tax Act. The contributions cannot be withdrawn until retirement.

3. Accessibility of workplaces

Are the premises/ offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company is committed to embracing inclusion and diversity in its campuses. To underpin inclusivity for employees with different abilities, an accessibility assessment of all our facilities was initiated in FY23 as the baseline for ensuring that differently-abled employees are not disadvantaged.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the Policy.

Syngene is an Equal Opportunity Employer and does not follow or support any discrimination based on race, colour, religion, age, gender, sexual orientation, nationality, disability, political opinion, and other factors. All employees are expected to be respectful towards each other and not promote or tolerate any form of discrimination. The Code of Conduct and Business Ethics and the Human Rights Policy cover the aspects of fair employment, anti-harassment and non-discrimination, which are available at <https://cdn.syngeneintl.com/2020/11/10171740/Code-of-Ethics-and-Business-Conduct-2018.pdf> and <https://cdn.syngeneintl.com/2022/11/23165312/Syngene-Human-Rights-Policy.pdf>

5. Return to work and retention rates of permanent employees and workers* that took parental leave.

Gender	Permanent employees	
	Return to work rate	Retention rate
Male	100%	91%
Female	100%	96%
Total	100%	94%

*The Company doesn't have any permanent workers

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Yes. The Company has the following grievance redressal mechanisms for employees and workers:

Permanent Employees	<p>Employees, associates, trainees, and interns, can raise their concerns through the following channels:</p> <p>(i) Integrity Committee (Vigil Mechanism)</p> <ul style="list-style-type: none"> Purpose: to make protected disclosures of any actual or suspected incidents of unethical practices, violation of applicable laws and regulations including the Code of Ethics & Business Conduct Committee Constitution – CHRO, Head of Legal and Chief of Staff (one female member mandatory) Whistle-blower Contacts: Hotline: 0008000502115 for India & (844)9053016 for United States Website: www.syngeneintl.ethicspoint.com Email: Chairman.Auditcommittee@syngeneintl.com <p>(ii) Prevention of Sexual Harassment Committee</p> <ul style="list-style-type: none"> Purpose: to report matters related to sexual harassment in the Company Internal Complaints Committee comprises the Chairperson, 8 internal members and an external advisor. Contact details: posh.committee@syngeneintl.com <p>(iii) Grievance Committee</p> <ul style="list-style-type: none"> Purpose: To report real or perceived concerns in relation to work, general administration, payroll/reimbursements or any other concern in relation to any existing policy which is raised by an employee (complainant) within scope of company defined policies. Grievance Committee comprises the Administration team lead, Performance Management lead and a senior member from Finance team Contact details: Grievance redressal portal available on the Company's intranet.
Other than Permanent Employees	Same mechanisms as permanent employees
Permanent Workers	Not Applicable (The Company doesn't have any permanent workers)
Other than Permanent Workers	Same mechanisms as permanent employees

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

None

8. Details of training given to employees and workers:

Category	FY23					FY22				
	Current Financial Year					Previous Financial Year				
	Total no of Manpower (A)	On Health and safety measures		@On Skill upgradation		Total no of Manpower (D)	On Health and safety measures		*On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	4965	4476	90%	4476	90%	4585	4585	100%	2387	52%
Female	1882	1729*	92%	1729*	92%	1738	1738	100%	1276	73%
Total	6847	6205*	91%	6205*	91%	6323	6323	100%	3663	58%
Workers										
Male	1243	1167	93.9%	1167	93.9%	692	622	90%	487	70%
Female	211	192	91%	192	91%	170	130	76%	124	73%
Total	1454	1359	93.5%	1359	93.5%	862	752	87%	611	71%

*Employee includes Permanent & Other than Permanent employees

9. Details of performance and career development reviews of employees and workers:

Category	FY23			FY22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	3540	3540	100%	2820	2820	100%
Female	1375	1375	100%	860	860	100%
Total	4915	4915	100%	3680	3680	100%
Workers						
Male	Nil					
Female						
Total						

Note: Only permanent employees are considered for performance review. The figures in A and C indicate the number of employees eligible for review in the relevant years (which doesn't include the persons who joined the Company within six months of the closure of the financial year and persons serving notice period) and the figures in B and D indicate the number of eligible employees reviewed.

10. Health and safety management system:**a. Whether an occupational health and safety management system has been implemented by the entity? If yes, the coverage of such system?**

Yes, the Company has a well-established occupational health and safety management system across all the facilities. The Environment, Health, Safety and Sustainability (EHSS) Policy applies to all operations. The operating facilities are certified for ISO 14001:2015 - Environmental management systems (EMS) and ISO 45001: 2018 - Occupational Health and Safety System (OH&S). Syngene's Environmental Management System and Occupational Health and Safety objectives are aligned with the EHSS Policy and the risk management process. The Company has an established risk management and prevention system using the principles of Aspect Impact Management (AIM) and Hazard Identification and Risk Assessment (HIRA).

The Company has a robust process safety management (PSM) and fire safety system. Regular training is imparted to the employees on Safety.

Earth rite system, Distributed Control System operation (DCS), Powder transfer system (PTS), Local exhaust ventilation, Rupture disc, Safety relief valve, dump tank, Water sprinklers, LEL detector, Multi gas detectors are installed where required. Solvents are stored under hazardous area classification with breather valve, including flame arrestor, dike wall, Sprinkler systems, etc. All sites have full-fledged emergency response plan in place with dedicated ERT leads. Mock drills are undertaken on fortnightly basis for each building for all the identified scenarios and drill performance is evaluated and accordingly corrective actions are put in place to improve the drill performance.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has an established process for identifying work-related hazards from routine and non-routine activities. Risk assessments such as Lab Hazard Analysis and Process risk Assessment are undertaken for routine activities in both laboratory applications and manufacturing operations. This ensures that hazards are identified and adequate controls are put in place. For non-routine activities, Job Safety Analyses are carried out to assess the risk before undertaking any activities. The hazard analysis tool for both routine and non-routine risks works on the systematic approach of identifying, evaluating and controlling hazards:

- Physical (e.g. slips, trips and falls, entanglement, noise, vibration, harmful energy sources);
- Chemical (e.g. inhalation, contact with or ingestion of chemicals);
- Biological (e.g. contact with allergens or pathogens such as bacteria or viruses);

The following processes are used to identify the hazards in the workplace:

- i. Safety interactions and safety walks in the workplace to identify potential hazards
- ii. Employee participation during Friday safety hours
- iii. Comparison of Standard Operating Procedure (SOP) with current practice.
- iv. Reviews of incident management reports
- v. Reviews of safety data sheets
- vi. Reviews of first aid/injury records

After identifying a hazard, controls are put in place to bring the Hazard to ALARP (As low as reasonably practical) state.

c. Whether you have processes for workers to report work-related hazards and to remove themselves from such risks.

Syngene has a well-established system to report any incident, unsafe condition, unsafe acts or work related hazards. All employees must report any incident, near miss or unsafe act through a company-wide portal, 'SynZero'. All incidents reported in the portal are investigated, root cause analysis is undertaken and corrective and preventive actions (CAPA) are put in place. Workers may also raise their concerns at the periodic departmental-level safety meetings or during Gemba walks.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

Yes, all the employees and contract employees have access to the onsite Occupational Health Centre (OHC) for immediate triaging and first aid. We have medically qualified doctors, para-medical nurses, and support staff in shift operation to support for any medical emergency. The Company has also tied up with well-established hospitals to deal with any kind of incident, accident or medical emergency. Employees are required to undergo an annual health check-up and healthcare advice is provided. During the pandemic, employees benefitted from the routine Covid 19 testing and company sponsored vaccination drive. Medical insurance facilities are provided to employees and their dependents. Employees are also covered under group personal accident insurance.

11. Details of safety related incidents:

Safety Incident/Number	Category	FY23	FY22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.08*	0.00*
	Workers	0.58*	0.42*
Total recordable work related injuries	Employees	3**	2**
	Workers	3	1
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	1	1

*Injury Frequency Rate is taken as 12-month rolling average.

**Details include total number of employees/workers affected by work-related injuries or ill-health.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company has established measures to ensure a safe and healthy workplace by proactively identifying, evaluating, and mitigating or preventing any hazard / releases that could occur.

Safety systems at work include:

1. Permit to Work
2. Job Hazard Analysis
3. Process Safety Information
4. Management of Change
5. Process Hazard Analysis
6. Process Risk Assessment
7. Pre-Start up Safety Review
8. Incident Management
9. Contractor Management
10. Emergency Management
11. Hazard identification and risk assessment
12. Aspect and impact identification

Considering the significant on-site workforce, a safe and efficient building evacuation protocol is a priority. The emergency management system includes weekly mock drills for each building. The drill performance is evaluated and accordingly, corrective actions are put in place.

13. Number of complaints on the working conditions and health & safety made by employees and workers during FY23 & FY22:

Nil

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

All employees have access to the company-wide portal, 'SynZero', where they can report any safety incident, near miss or unsafe act. All incidents reported in the portal are investigated, root cause analysis is undertaken and corrective and preventive actions (CAPA) are put in place with a defined target date for closure.

Few examples of the corrective and preventive actions (CAPA) are: Warehouse improvement programme, Construction of new Cold room and Cool, Dry, Ventilated (CDV) Room to store pyrophoric and highly reactive and high energy chemicals, Automation of the process, etc.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (B) Workers

Yes, the Company provides Group Term Life Insurance and other applicable benefits to the employees. Casual workers (Other than Permanent workers) are covered under Employee's State Insurance Act.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company has adequate mechanisms to ensure that requisite statutory dues, as applicable to the transactions of the Company with its value chain partners, are deducted and deposited in accordance with the applicable regulations and reviewed as per regular audit processes. The Company also collects necessary certificates and proofs from its contractors with respect to payment of statutory dues like PF, ESIC, etc. relating to contractual employees and workers. The Company also sets clear expectations with its value chain partners to abide by labour laws, human rights and regulations in their nature of business.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY23	FY22	FY23	FY22
Employees	0	0	0	0
Workers	1	1	1	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

Yes, Syngene does provide assistance through various programs which help employees to manage their career post-retirement.

5. Details on assessment of value chain partners:

Indicate input material	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Till date we have completed assessment for 40 vendors representing 66% of high risk vendors
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

The team conducts safety assessment of vendors and compiles a comprehensive report highlighting various observations. Vendors are then required to submit an action plan addressing the critical observations. The team reviews and approves the proposed actions, and subsequently communicates the approved plan to the vendor. The team also diligently monitors the progress of the implemented actions to ensure timely compliance. Out of 40 vendors audited in FY23, 23 vendors had observations.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

The process of identification of key stakeholders in the Company is defined by their interest, involvement and impact on the operations and engagement on various ESG matters. In 2021 a detailed stakeholder engagement exercise was conducted to understand their key concerns and material topics that are essential to Syngene's value-creation process and reporting on the topics which are important to the stakeholders. A six-step stakeholder engagement and materiality assessment process was conducted to collect and review stakeholder feedback. Each step of the process was based on guidance from the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) and the AA1000 Stakeholder Engagement Standard (AA1000SES). Eleven key stakeholder groups were identified to take part in the Company's first materiality assessment. These groups represent a wide range of external and internal stakeholders, ranging from clients and vendors to regulators, investors, media channels and employees.

Contact details for selected stakeholder groups to connect with the Company are publicised on the Company's website: <https://www.syngeneintl.com/contact-us/>. In addition, stakeholders such as clients, local authorities, new recruits and employees are invited to engage face-to-face with the Company in dedicated sessions ranging from recruitment fairs to media and investor meetings.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Stakeholder	Channel for communication	Nature of communication
CSR partners	The majority of the Company's CSR programs are managed by the Biocon Foundation, the CSR arm of the Biocon Group. The Company also directly engages with agencies/institutions for CSR activities.	Day-to-day engagement enabled by the Biocon Foundation
R&D, manufacturing and other commercial partners	A key account management framework ensures that clients have a clear connection point with the Company.	Regular engagement via the client account team and relevant project teams. The cadence of communication is determined by the nature of the project. Engagement with the Dedicated Centres is the responsibility of the management team for each center and is agreed upon as part of the contract in each case.
Vendors	The Strategic Sourcing team leads ESG oversight with all vendors as part of the procurement process.	Category managers are the first point of contact for vendors. They help to put the contract together and handle any issues or feedback during the delivery of the contract.
Local and national authorities	Engagement with authorities may be through direct contact or as part of an industry body at the national level.	Engagement with local authorities is regular on an as-needed basis through teams including EHSS, HR and Regulatory. The Company plays a role in relevant industry bodies when it comes to engaging with government departments on industry developments.

Stakeholder	Channel for communication	Nature of communication
Media	Corporate Communications handles all communication with the media directly or through a specialist consultancy.	Quarterly business briefings are undertaken for business media wanting to cover the financial results. Individual engagement with trade media provides an opportunity to showcase scientific achievements.
Employees	Employees have various options for engaging with each other and the management, including quarterly town halls, divisional townhalls, and specific scientific engagements. Employees can approach the Human Resources (HR) team for support or use the HR chatbot for personal matters	Employees are invited to submit questions before every town hall and questions are answered either in the town hall or later on the intranet. Managers are expected to engage with their team members regularly. They also conduct a full year and mid-year performance review for each team member. The HR team provides support where needed to resolve personal difficulties in the workplace.
Investors/ shareholders	The Investor Relations team conducts a series of meetings with analysts and investors throughout the year. Shareholders can engage with the Company through the Company Secretary at any time and at the Annual General Meeting.	Quarterly briefings are held for analysts and investors, hosted by the MD&CEO and the CFO. Aside from these meetings, investors can request meetings with the Company. The Annual General Meeting in July 2022 was held virtually. Nonetheless, shareholders have been able to ask questions directly to the Chairperson and other members of the Board.
Quality stakeholders	Engagement with these stakeholders is usually in the context of a virtual or physical audit of Company operations.	The Chief Quality Officer leads the engagement with all regulatory authorities on behalf of the Company. The engagement is organised according to the needs of the regulator.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Respective operational/ functional heads engage with the stakeholders on various ESG topics and the relevant feedback from such interactions is provided to the Board or relevant committees of the Board quarterly and to the Chairperson through monthly business review meetings. Engagement with stakeholders includes: meetings with investors and potential investors; employee engagement in quarterly townhalls; community engagement through CSR programs; Client engagement in the course of projects and also through an annual survey; and regular meetings with local authorities for environment, health and safety.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics. If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

A stakeholder materiality survey was conducted in FY21 to establish and prioritise material issues for the Company. Eleven stakeholder groups identified the material concerns associated with the current business operations. Based on the feedback from the materiality survey, the Executive ESG Council identified the priority ESG topics that were endorsed by the Board and form part of the Company's growth strategy. The stakeholder engagement framework together with the ESG priorities are published on the Company's website at: <https://esgreport.syngeneintl.com/stakeholder-engagement.html>

ESG priorities are reflected in the Company's Code of ethics and business conduct, Supplier Code of Conduct, as well as other focused policies. The said codes and other policies are published on the Company website so that they can be scrutinised by all interested parties.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.

Engagement with vulnerable/marginalised groups occurs through Company funded CSR programs, including a mental health program, health clinics for the elderly, a program to rehabilitate vulnerable women and their children, and access to high-quality science education for economically disadvantaged children. In all cases, the engagement is led by the Biocon Foundation, the charitable arm of the Biocon group of companies and programs are carried out in partnership with a not-for-profit or specialist agency.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and Policy (ies) of the entity:

Category	FY23			FY22		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	6847	6847	100%	5975	5975	100%
Other than permanent	313	313	100%	337	337	100%
Total Employees	7160	7160	100%	6312	6312	100%
Workers						
Permanent	Nil	Nil	Nil	Nil	Nil	Nil
Other than permanent	1454	1360	93.5%	862	862	100%
Total Workers	1454	1360	93.5%	862	862	100%

Note: Training is provided through the completion of specific mandatory modules such as Prevention of Sexual Harassment. Other dimensions of human rights in the workplace are covered in training related to the Company code of business conduct. New joiners are introduced to the Code of Conduct during their induction to the Company and all employees are required to complete refresher training every year.

2. Details of minimum wages paid to employees and workers:

The Company is paying more than the statutorily required minimum wages to all its employees and workers.

3. Details of remuneration/salary/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (Rs. In Mn)	Number	Median remuneration/ salary/ wages of respective category (Rs. In Mn)
Board of Directors (other than Executive Directors)	4	6.10	4	7.58
Executive Director(s)	1	84.75	Nil	Nil
Key Managerial Personnel (other than Executive Directors)	1	33.40	1	5.09
Employees other than BoD and KMP	5174	0.85	1983	0.52
Workers	1243	0.25	211	0.22

Note: Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall basis at the end of each year and accordingly, have not been considered in the above information. Perquisite value of stock options is excluded.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes, Syngene has established a robust process for preventing and redressing any abuse or violation of human rights. Individuals, including community members, suppliers, customers and all other stakeholders are encouraged to speak up if they believe that the Syngene policies, including the Code of Conduct, regulations, or any laws are being breached or an individual or group is acting in a manner that would adversely impact the reputation of the Company and or its employees. The Company's Human Rights Policy is aligned with international standards and guidelines on human rights and is available on our website at <https://cdn.syngeneintl.com/2022/11/23165312/Syngene-Human-Rights-Policy.pdf>. The Integrity & Whistle-blower Policy lays out the mechanism for any individual to raise a concern about suspected unethical/non-compliant activities and is available at <https://cdn.syngeneintl.com/2021/11/08224716/Integrity-and-Whistle-blower-Policy.pdf>

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Employees, associates, trainees and interns can raise their concerns through the following channels:

Integrity Committee (Vigil Mechanism)

- Purpose: to make protected disclosures of any actual or suspected incidents of unethical practices, violation of applicable laws & regulations including the Code of Ethics & Business Conduct
- Committee Constitution – CHRO, Head of Legal and Chief of Staff (one female member mandatory)
- Whistle-blower Contacts:
Hotline: 0008000502115 for India & (844)9053016 for United States
Website: www.syngeneintl.ethicspoint.com
Email: Chairman.Auditcommittee@syngeneintl.com

Prevention of Sexual Harassment Committee

- Purpose: to report matters related to sexual harassment in the Company
- Internal Complaints Committee comprises the Chairperson, 8 internal members and an external advisor.
- Contact details: posh.committee@syngeneintl.com

Grievance Committee

- Purpose: To report real or perceived concerns in relation to work, general administration, payroll/ reimbursements or any other concern in relation to any existing policy which is raised by an employee (complainant) within scope of Company defined policies.
- Grievance Committee comprises the Administration team lead, Performance Management lead and a senior member from Finance team
- Contact details: Grievance redressal portal available on the Company's intranet

6. Number of complaints on the following made by employees and workers:

	FY23			FY22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	2	Nil	Nil	1	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	7	Nil	Nil

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company condemns any discrimination, harassment, victimisation, or other unfair employment practices being adopted against a complainant. If any complainant feels that they are experiencing any reprisal or retaliation, victimisation or discrimination in nature of intimidation, pressure to withdraw the complaint, or threats for reporting, testifying or otherwise participating in the investigation proceedings, they can report the matter to the Integrity Committee. The Committee will take appropriate measures to address the situation.

As per the Whistle-blower policy, the complainant will not risk losing their job or suffering a loss in any manner to obstruct the Whistle-blower's right to continue to perform their duties/functions.

Syngene has zero tolerance for retaliation against whistle blower or any employee who reports any complaint in good faith. Complete confidentiality of the complainant or the whistle blower is ensured. A participant assisting in the investigation, or furnishing evidence, is protected to the same extent as the Whistle-blower and is also entitled to the same degree of protection from retaliation for participating in an investigation. All complaints reported through any channels are confidential and will be shared strictly on a 'need to know' basis.

8. Do human rights requirements form part of your business agreements and contracts?

Yes.

9. Assessments for the year: % of your plants and offices that were assessed (by entity or statutory authorities or third parties) on Child labour, Forced/involuntary labour, Sexual harassment, Discrimination at workplace, wages or any other such issue

Internal assessments are conducted seeking 100% compliance

10. Details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

No significant risks or concerns were highlighted.

Leadership Indicators											
1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.	No significant risks or concerns were highlighted. During the year, the human rights policy was formulated. The Policy confirms our commitment to equal opportunity, non-discrimination, health and safety, free employment, fair wage and benefits, data privacy, corporate social responsibility, etc.										
2. Details of the scope and coverage of any Human rights due-diligence conducted.	In keeping with our values, this year we strengthened our commitment to upholding human rights by formulating the Human Rights Policy. This policy aligns with the following international standards and guidelines on human rights viz. UN Global Compact, UN Guiding Principles on Business and Human Rights, ILO 1998 Declaration of Fundamental Principles and Rights at Work, OECD Guidelines for Multinational Enterprise, International Bill of Human Rights and the Universal Declaration of Human Rights (UDHR). The policy is underpinned by the Syngene Code of Conduct and Syngene Supplier Code of Conduct to ensure that fundamental human rights are embedded in all operations and those of the companies which form part of the Company's supply chain.										
3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?	Yes. To underpin inclusivity for differently abled persons, an accessibility assessment of all our facilities was initiated in FY21 as the baseline for ensuring that differently-abled employees are not disadvantaged.										
4. Details on assessment of value chain partners:	<table border="1"> <thead> <tr> <th></th> <th>% of value chain partners (by value of business done with such partners) that were assessed</th> </tr> </thead> <tbody> <tr> <td>Sexual Harassment</td> <td rowspan="5">35%</td> </tr> <tr> <td>Discrimination at workplace</td> </tr> <tr> <td>Child Labour</td> </tr> <tr> <td>Forced Labour/Involuntary Labour</td> </tr> <tr> <td>Wages</td> </tr> <tr> <td>Others – please specify</td> <td></td> </tr> </tbody> </table>		% of value chain partners (by value of business done with such partners) that were assessed	Sexual Harassment	35%	Discrimination at workplace	Child Labour	Forced Labour/Involuntary Labour	Wages	Others – please specify	
	% of value chain partners (by value of business done with such partners) that were assessed										
Sexual Harassment	35%										
Discrimination at workplace											
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Forced Labour/Involuntary Labour											
Wages											
Others – please specify											

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

No significant risks or concerns were highlighted. During the year, the human rights policy was formulated. The Policy confirms our commitment to equal opportunity, non-discrimination, health and safety, free employment, fair wage and benefits, data privacy, corporate social responsibility, etc.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

In keeping with our values, this year we strengthened our commitment to upholding human rights by formulating the Human Rights Policy. This policy aligns with the following international standards and guidelines on human rights viz. UN Global Compact, UN Guiding Principles on Business and Human Rights, ILO 1998 Declaration of Fundamental Principles and Rights at Work, OECD Guidelines for Multinational Enterprise, International Bill of Human Rights and the Universal Declaration of Human Rights (UDHR). The policy is underpinned by the Syngene Code of Conduct and Syngene Supplier Code of Conduct to ensure that fundamental human rights are embedded in all operations and those of the companies which form part of the Company's supply chain.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. To underpin inclusivity for differently abled persons, an accessibility assessment of all our facilities was initiated in FY21 as the baseline for ensuring that differently-abled employees are not disadvantaged.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	35%
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

The following actions were taken/are underway to address significant risks/concerns arising from the assessments at Question 4 above:

- Inclusion of clauses on environmental, labor, human rights, and ethics requirements in all contracts; Inclusion of a clause for termination of the contract for top spend suppliers when expectations concerning sustainability issues are not met
- Deploy a sustainable procurement management system across the target supplier base
- Assess the suppliers' operational sites, including facilities such as manufacturing plants, offices, etc.
- Impart training on sustainable procurement to buyers

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY23	FY22	Remarks
Total electricity Consumption (A) Grid Units* [®]	2,27,89,569	1,90,32,084	Units (KWH)
Total DG set's Consumption (B) DG Units	12,22,228	11,83,300	Units (KWH)
Energy consumption through other sources (C) Green Energy (Wind, Hydro, Solar)	7,38,93,760	6,62,06,995	Units (KWH)
Total energy consumption (A+B+C) Units	9,79,05,557	8,64,22,379	Units (KWH)
Total fuel (HSD) consumption (in Litres)	7,63,814	9,34,068	Diesel in Litres, LPG, and FO in Kgs
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0031	0.0033	-

**Increase in energy consumption was on account of the expansion of activities on the Hyderabad campus. Increase in grid units due to Hyderabad business where there is a restriction for green power from the Government.*

[®] The figures for FY22 have been restated to provide the actual grid and green units of energy consumed as against the units of energy procured as provided in the FY22 BRSR.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Details of the following disclosures related to water, in the following format:

Parameter	FY23	FY22
Water withdrawal by source (in kilolitres)		
(i) Surface water (River Water from Govt.)	1,72,711	1,65,792
(ii) Groundwater (Bore Well Water)	6,624	5,242
(iii) Third party water (Tanker Supply)	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,79,335	1,71,034
Total volume of water consumption (in kilolitres)	*1,79,335	1,71,034
Water intensity per rupee of turnover (Water consumed / turnover)	0.000006	0.000007

**Note: Increase in water consumption arises from increased occupancy on all campuses and growth in Biologics, Discovery Chemistry, Biology and increased activity in the BMS dedicated centre.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency:

No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Reflecting our commitment to managing effluent run-off, the Company has a zero liquid discharge policy. Syngene's zero liquid discharge policy requires that all water pollution hazards are closely monitored and all water management practices comply with the laws and regulations of the State and Central Pollution Control Board of India. The facilities in Bangalore and Mangalore have conventional effluent treatment plants, strippers, multiple effect evaporators, Agitated Thin Film Driers (ATFD) and reverse osmosis units to treat wastewater and reuse it within the plant premises. In the Hyderabad campus, wastewater is pre-treated in the effluent treatment plant managed by authorised third parties and sent to a third-party effluent treatment plant for further disposal.

5. Details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY23			FY22		
		Bangalore	Mangalore	Hyderabad	Bangalore	Mangalore	Hyderabad
NOx	µg/m³	19.5	18.2	17.1	15.51	132	17.8
SOx	µg/m³	8.3	16.9	13.9	7.97	26.9	14.7
Particulate matter (PM10)	µg/m³	72.6	71.8	55.9	69.08	19.2	56.2
Persistent organic pollutants (POP)		NA					
Volatile organic compounds (VOC)	µg/m³	Benzene, methanol, carbon tetra chloride, toluene, methyl chloride, mercaptan, hydrogen sulphide was monitored. VOC monitoring values are below the detection limit.					
Hazardous air pollutants (HAP)		NA					
Others– please specify							
Particulate matter *(PM2.5)	µg/m³	28.1	46.2	22.8	22.95	29.3	22
Ozone	µg/m3	3.0	Below Detection Limit	13.2	3.0	Below Detection Limit	15.1
Ammonia	µg/m3	4.5	Below Detection Limit	18.8	8.3	Below Detection Limit	18.9

**Note: Process emissions pass through air pollution control equipment (Scrubbers). The Pollution Control Board has set a permissible limit of acid mist – company values are well within these standards. Air quality values measured are well within the maximum permissible limit as per (NAAQS).*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

In order to conduct a monthly assessment of the ambient air quality, source emissions, volatile organic compound (VOC), noise monitoring, National Accreditation Board for testing and calibration laboratories (NABL) and Ministry of Environment and Forests (MOEF) approved external laboratories that are engaged as follows:

- In Bangalore, Robust Materials Technology Private Limited
- In Hyderabad, M/s. Star Analytical Services
- In Mangalore, Hubert Enviro Care Systems Private Limited

6. Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY23	FY22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	5,821 MT	6,207 MT
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	18,433 MT	15,777 MT
Total Scope 1 and Scope 2 emissions per rupee of turnover	-	0.00076 Kgs	0.00084 Kgs

Scope-2 emission increased by 17% compared to FY22 owing to facility expansion at Hyderabad.

The following emissions were added additionally as those were not captured in FY22: Process emissions, Dry Ice, Refrigerants, Steam(BSEZ), CO₂ Fire extinguishers.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes. Green power projects with 26% equity share model (10.4MW-Wind power plant & 27.45mwdc Solar power plant) were commissioned. 250KW Roof top plant was commissioned. This helped to address 75% of energy from renewable sources, thereby avoiding 52,834 metric tons of CO₂ emission. Energy conservation projects are ongoing every year. During FY23 3.75 million units of energy were saved thereby avoiding 2,683 metric tons of CO₂ emission.

8. Details related to waste management by the entity:

Parameter	FY23	FY22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	230	217.08
E-waste (B)	3.82	Nil
Bio-medical waste (C)	109.51	98.77
Construction and demolition waste (D)	NA	NA
Battery waste (E)	3.70	4.30
Radioactive waste (F)	0.030	0.024
Other Hazardous waste. Please specify, if any. (G)	2,310.74	2,116.48
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1,226.47	597.9
Total (A+B + C + D + E + F + G + H)	3,884.27	3,034.53

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste

(i) Recycled	3,524.97	2,805.38
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	3,524.97	2,805.38

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste

(i) Incineration	329.94	146.40
(ii) Landfilling	29.33	82.38
(iii) Other disposal operations	Nil	Nil
Total	359.27	228.78

Note: Hazardous and Non-Hazardous waste has increased in past 12 months due to expansion of activities in Hyderabad facility.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. All types of waste generated in Syngene are collected, packed, stored in leak proof containers, the generated waste is sent for recycling or disposed for treatment / incineration within the stipulated time as per applicable rules through KSPCB authorised disposal facilities.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

- The Standard Operating Procedure (SOP) for handling liquid and solid waste, in accordance with the applicable rules, determines the approach to proper waste management in the Company's dedicated facility in Bangalore. It outlines the process of segregation, according to compatibility, of each category of generated waste. The waste is packed in leak proof containers (using biodegradable bags or puncture proof containers), labelled, and transferred using trolleys to the storage area in each building from where it is then transferred to Central waste yard (inside the facility) using electric vehicles.
- The waste is segregated and stored in the central waste yard and disposed to State Pollution Control Board (SPCB) authorised waste handlers on a regular basis in accordance with the applicable Rules.
- Both the local storage area and central waste yard are equipped with different types of fire extinguishers, fire hydrant system, smoke detectors, fire alarm system for handling any fire/emergency. Casual employees are provided with appropriate PPE's to avoid any contact and infection.
- The Company practices green concepts 3R's (Reuse and Recycle) in the operations. It also follows an integrated Inventory management system to minimise waste generation.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
None of the Syngene operations are in ecologically sensitive areas			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

No such projects were undertaken by the Company.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances:

The Company is in compliance with applicable environmental norms.

Leadership Indicators

1. Break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources:

Parameter	FY23	FY22
From renewable sources		
Total electricity consumption (A)	2.65X10 ¹⁴	2.38X10 ¹⁴
Total fuel consumption (B)	7,63,814 Litres	9,34,068 Litres
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	2.65X10 ¹⁴	2.38X10 ¹⁴
From non-renewable sources		
Total electricity consumption (D)	8.7X10 ¹³	4.6X10 ¹³
Total fuel consumption (E)	-	-
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	8.7X10 ¹³	4.6X10 ¹³

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

If yes, name of the external agency:

NO

2. Details related to water discharged:

Not Applicable, the Company has a zero liquid discharge policy.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Not Applicable

4. Details of total Scope 3 emissions & its intensity:

Parameter	Unit	FY23	FY22
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	88,150	NA
Total Scope 3 emission intensity*	MTCO ₂ e/Rs Mn	2.76	NA

*calculated as Emission Intensity = Total emissions (MTCO₂e) / Turnover (Rs Mn)

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

None of the Syngene sites are operational in ecologically sensitive areas.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Utilisation of Green power	--	75% of the Energy consumption is from green energy sources
2	Waste Recycling	Spent solvent, plastic, metal, paper waste are recycled through authorised recycling partners	90.75% of the waste generated from our operations are recycled

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Syngene has business continuity plans for each of its Operating Units and Enabling Functions. The business continuity plans contain strategies for ensuring continuity of operations at a minimum acceptable level, providing a structured approach to crisis management, establishing sustainable business continuity governance and seeking to establish business resilience in the company. Disaster recovery plans for all IT-led processes are in place. Disaster recovery drills were carried out for all key applications in FY23.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

We are in a process of assessing our value chain partners through Ecovadis on the impact on the environment due to their operations. No significant adverse impact to the environment arising from the value chain has been reported during FY23.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

35% value chain partners were assessed.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory Policy, should do so in a manner that is responsible and transparent**Essential Indicators****1. a. Number of affiliations with trade and industry chambers/ associations.**

Syngene has affiliations with 10 trade and industry chambers/ associations

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1.	The Confederation of Indian Industry (CII)	National
2.	Association of Biotechnology Led Enterprises ((ABLE)	National
3.	State Environment Impact Assessment Authority	State
4.	American Association for Accreditation of Laboratory Animal Care (AAALAC)	International
5.	Quality Council of India	National
6.	Indian Association of Secretaries and Administrative Professionals	National
7.	Laboratory Animal Scientists Association	National
8.	Indian Society for Clinical Research	National
9.	Indian Association of Secretaries	National
10.	European Bioanalysis Forum VZW	International

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not Applicable

Leadership Indicators**1. Details of public policy positions advocated by the entity:**

The Company plays a strong role in public policy advocacy through regular engagement with specific external stakeholders including industry associations, government bodies and regulatory departments.

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Not Applicable

2. **Information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

S.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
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Not Applicable

3. **Describe the mechanisms to receive and redress grievances of the community.**

Mechanisms to address the grievances have been adapted for specific programs. The strategy is to address this through structured monitoring and evaluation of all programs, with assessment of stakeholder perceptions, either through regular surveys or third-party impact assessment. Details of action taken are documented.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY23	FY22
Directly sourced from MSMEs/ small producers	48%	44%
Sourced directly from within the district and neighbouring districts	55%	65%

Leadership Indicators

1. **Details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above).**

Not Applicable

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (in INR)
1.	Karnataka	Yadgir	7 Lakh

3. **(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups?**

The Company follows an unbiased approach in the selection of its suppliers and its procurement processes, which are driven by the Company's Sustainable Procurement Policy and Supplier Code of Conduct.

(b) From which marginalised /vulnerable groups do you procure?

The Company does not consider the criteria for marginalised / vulnerable groups during the selection of its suppliers.

(c) What percentage of total procurement (by value) does it constitute?

During the year, the Company sourced 48% of the total inputs material from MSME suppliers.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Not Applicable

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Nil

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR project	No. of persons benefitted from CSR programs	%age of beneficiaries from vulnerable and marginalised groups
1.	eLAJ Smart Clinics – Outpatient Care	70,000	100%
	eLAJ Smart Clinics – Specialists Clinics	3,700	100%
	eLAJ Smart Clinics – Community Outreach	10,100	100%
2.	Mobile Science Labs	6,500	100%
3.	Lab on a Bike	1,700	100%
4.	Inter-School Science Quiz Competition	5,000	100%
5.	Parihar	3,300	100%
6.	STEM Scholarships & Mentorship for Women	25	100%
7.	Construction of Classrooms in Government Schools	1,100	100%
8.	Solar Street Lights in Villages	5,000	100%
9.	Children's Park	1,400	100%
10.	Har Ghar Tiranga	75,000	NA (It was a people's movement wherein everyone came together in unity and displaying the National Flag. There were no exclusion criteria.)
11.	Miyawaki Afforestation	25,000	100%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Not Applicable. The Company is largely a Contract Research Organisation (CRO) and is gradually expanding its services to become a Contract Development and Manufacturing Organisation (CDMO). It does not provide services directly to consumers.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

As a percentage to total turnover

Environmental and social parameters product
Safe and responsible usage
Recycling and/or safe disposal

Not Applicable - The Company offers contract research, development and manufacturing services. It does not provide services to consumers.

3. Number of consumer complaints in respect of Data privacy, Advertising, Cyber-security, Delivery of essential services, Restrictive Trade Practices, Unfair Trade Practices, Other complaints during FY23 and FY22:

Not Applicable. The Company is largely a Contract Research Organisation (CRO) and is gradually expanding its services to become a Contract Development and Manufacturing Organisation (CDMO). It does not provide services directly to consumers.

4. Details of instances of product recalls on account of safety issues:

Not Applicable

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the Policy.**

Yes. The Company has a Data Privacy Policy and an Information Security Policy. The link for the website privacy notice is <https://syngene-aws-storage01.s3.ap-south-1.amazonaws.com/wp-content/uploads/2020/11/18173741/Syngene-Website-PrivacyNotice.pdf>

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

No penalties/regulatory action has been levied or taken with respect to the above listed matters.

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Following are the platforms where information on products and services of the Company can be accessed:

Website: <https://www.syngeneintl.com/>

Youtube: <https://www.youtube.com/@Syngene>

LinkedIn: <https://www.linkedin.com/company/syngene-international-limited/about/>

Twitter: <https://twitter.com/SyngeneIntl>

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Not applicable. The Company is largely a Contract Research Organisation (CRO) and is gradually expanding its services to become a Contract Development and Manufacturing Organisation (CDMO). It does not provide services directly to consumers.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Not applicable. The Company is largely a Contract Research Organisation (CRO) and is gradually expanding its services to become a Contract Development and Manufacturing Organisation (CDMO). It does not provide services directly to consumers.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?**

Not applicable

5. **Provide the following information relating to data breaches:**

a. Number of instances of data breaches along with impact - Nil

b. Percentage of data breaches involving personally identifiable information of customers - Nil

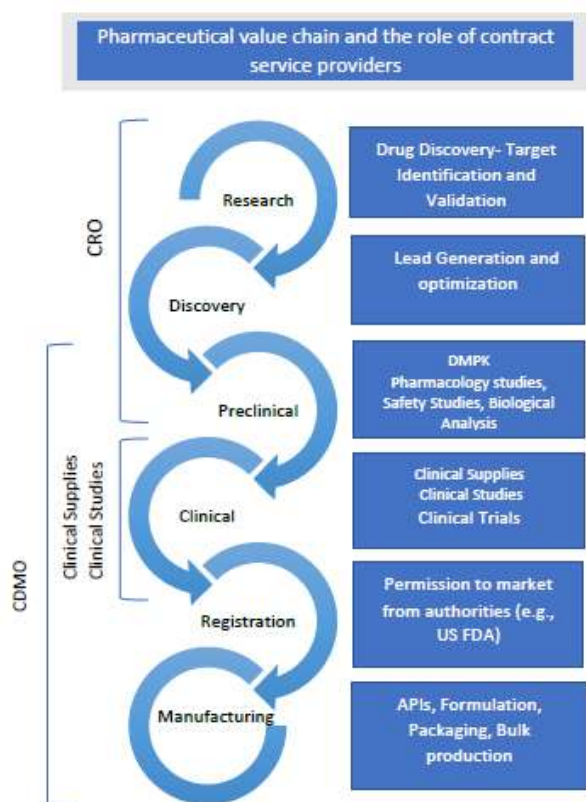
Management Discussion and Analysis

Syngene Overview

Syngene is a contract research, development, and manufacturing services company that offers a broad range of scientific services from the earliest stages of discovery to commercial supplies. This makes the Company a one-stop solution provider in the segment. Syngene is a partner of choice for biopharmaceutical and pharmaceutical companies looking for integrated drug discovery services due to its extensive technology capabilities and profound scientific understanding. While most of the research work is focused on the pharmaceutical industry, the company also collaborates with businesses in nutrition, animal health, consumer products, and specialty chemical industries. The Company partners with more than 400 clients located mainly across the United States, Europe and the UK.

The drug discovery value chain and Syngene's role as a service provider (CRO and CDMO)

Syngene provides end-to-end services within the Contract Research Organization (CRO) and a growing range of services within the Contract Development and Manufacturing Organization (CDMO).



Within the CRO the Company offers discovery services and a dedicated centre model in which facilities are designed and ring-fenced to meet a client's exclusive requirements. In Discovery Services, we provide end to end services from target selection and high throughput screening to drug candidate delivery for development.

The Dedicated Centres house multi-disciplinary scientific teams and support personnel with infrastructure tailor-made to meet the client specifications.

In CDMO, the Development Services division delivers services required for clinical supplies to support clinical trial programs of clients, and provides clinical studies relating to safety, efficacy, and tolerability of the chosen drug candidates. Our modern, high-performance manufacturing plants for large and small molecules, combined with our expertise in managing products from the early stages of development through to commercial-scale manufacturing, make us an attractive partner for clients seeking a reliable single provider of services to progress their product to market.

The Company offers different collaboration models ranging from long-term relationships with dedicated R&D centres to Full-Time Equivalent (FTE) and Fee-for-Service (FFS) arrangements.

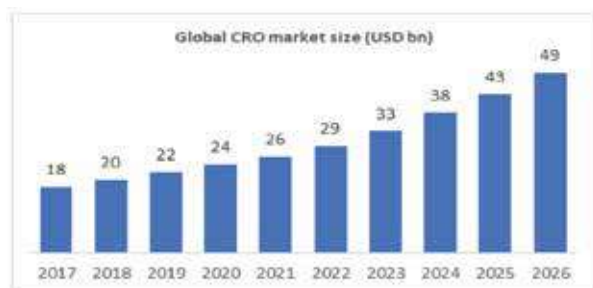
Contract Research Organizations (CRO)

Contract Research Organizations (CROs) provide Research and Development services to the pharmaceutical, biotechnology, medical device, and other industries in the form of services outsourced on a contract basis

From basic research to late-stage development, a wide range of activities are outsourced to CROs, including assay development, target validation, lead optimization, genetic engineering, hit exploration, and safety and efficacy tests in human trials in addition to animal models. The contract research industry has experienced rapid growth over the past decade with the pharmaceutical industry continuing to invest heavily in R&D, with a focus on developing innovative therapies to address unmet medical needs. In addition, the industry is facing increasing pressure to reduce the time and costs associated with drug development and, as a result, many companies are exploring new approaches to R&D, including the use of digital technologies and collaborations with external partners.

(i) Contract Research Services - market size and attributes

The global CRO market size was valued at USD 29 bn in 2022 and is expected to expand at a CAGR of 14% to USD 49 bn in 2026¹. The growth of the CRO market is driven by factors such as increasing R&D activities in the pharmaceutical and biotechnology industries, rising demand for outsourcing activities, and a growing trend in strategic partnerships and collaborations.



¹Frost & Sullivan Global Pharmaceutical CRO Market Size

(ii) Key industry trends

In the current economic environment, the large pharmaceutical companies are facing pricing pressure and inflation challenges. As such companies look to optimize their R&D budgets and restructure their costs, increasing the outsourcing of R&D activities offers an effective response to manage challenges. The emerging biopharma (EBP) companies' share of the drug molecule pipeline has been increasing and leading to a faster growth in the R&D spending of the EBPs compared to that of large pharmaceutical companies. However, the funding of biopharma companies has slowed in 2022 compared to 2020-2021, although it is above the 2019-2020 levels. While the funding is expected to last for multiple years, the slowdown in funding is likely to drive the prioritisation of R&D programs in EBPs and a desire to extend their cash runway. Outsourcing of R&D services is one way to achieve this.

Additionally, the COVID-19 pandemic has highlighted the risks associated with relying on a single supply route. Disruption caused by the pandemic has led to supply chain issues in various industries, including the pharmaceutical industry. As a result, many companies are looking to build resilience into their supply chains by expanding and diversifying their suppliers to mitigate the risks associated with potential disruption and ensure continuity of supply.

Geopolitical shifts are currently favouring outsourcing in the contract research sector to countries such as India, as pharma companies consider alternative outsourcing destinations. While various factors such as global trade

policies, political and economic stability in the region, and availability of skilled labour in emerging markets influence the choice of outsourcing, we believe India is well positioned to gain from this shift.

Considering these and other demand drivers for the CRO industry, we are optimistic about the growth opportunity for outsourcing of R&D services.

(iii) Syngene's Research Services

The Company offers its Research Services through various flexible models, which include shared resources and infrastructure as well as a dedicated facility. These are referred to as Discovery Services and Dedicated R&D Centres, respectively.

Discovery Services

(a) About the services

Our Discovery Services span the entire spectrum of early-stage research from target identification to delivery of drug candidates for further development. Syngene's flexible approach enables clients to choose functional services or Integrated Drug Discovery solutions. In functional areas, our services cover Chemistry, Biology, Safety Assessment & Toxicology, and Computational & Data Sciences. Integrated Drug Discovery services encompass the functional domains with a program management approach across various stages of the drug discovery process.

The Discovery Chemistry team provides a diverse range of platform capabilities across synthetic and medicinal chemistry, library synthesis, analytical support, and purification. We bring to the table deep expertise in PROTACs, antibody-drug conjugates, peptides, nucleotides, and carbohydrates. Our Discovery Biology team works on cutting-edge research across cell engineering, antibody discovery, protein sciences, assay biology, in vivo pharmacology, genomics, and translational sciences. We also offer a full DMPK suite, both in vitro ADME and in vivo PK studies.

Our Safety Assessment team offers exploratory studies as well as full GLP packages. We also offer specialty studies such as in vitro cytotoxicity, skin irritation, phototoxicity, skin sensitization, as well as medical device testing. All our Discovery Services are supported by advanced informatics capabilities that enable faster, more efficient decision-making. Our computational and data sciences capabilities extend across target intelligence, multi-omics data analysis, systems modelling, molecular modelling, drug repurposing, predictive modelling, and multiparameter optimization.

(b) Syngene's strategy

Our strategy is to provide end-to-end therapeutic discovery capabilities including differentiating technologies and platforms across disciplines, disease areas, and therapeutic modalities. The Company delivers high-value innovation on the robust foundation of its platforms and scientific capabilities. A key priority is to further leverage these strengths by expanding partnerships with existing clients and adding new clients.

(c) Progress made during the year

In FY23, Discovery Services maintained a strong performance, mainly fueled by an increase in demand from new clients, particularly in the emerging biopharmaceutical sector, as well as further growth of relationships with current clients. In Discovery Chemistry, the peptide and targeted protein degradation/stabilization businesses showed strong growth.

Discovery Biology offers translational and pharmacological expertise across multiple therapeutic areas including oncology and immuno-oncology, immunology, neuroscience and cardiovascular diseases. During the year, the therapeutic antibody discovery capabilities were significantly augmented through the introduction of single B cell cloning and human immune antibody library platforms. We also successfully developed a proprietary cell line, engineered specifically to generate high protein yields.

Over the course of the year, SynVent™ - our exclusive platform for integrated drug discovery programs - has emerged as a highly appealing model for biotech firms that don't prefer to invest in their own infrastructure or to build extensive teams with the expertise needed to move molecules through the discovery and development phase.

Capability/capacity additions during the year

- The company strengthened Syngene SynVent™ led by a team of professional drug hunters with pharma and biotech experience, across multiple therapeutic areas and modalities.
- Investments in infrastructure in Hyderabad provided additional capacity to cater to growing client demand. We added ~46,000 sq. ft. of laboratory space in Hyderabad. The Discovery Chemistry unit for synthetic, organic and medicinal chemistry was expanded to accommodate around 900 scientists in total. A fully automated compound management system was installed in Hyderabad. We also expanded our assay biology and large molecule research capacity through the addition of ~7,500 sq. ft. of laboratory space in Bangalore.

- Additionally, we augmented our specialty capabilities, including expansion of Target Protein Degradation/Stabilization Platform (SynTACS), antibody therapeutic platform, and discovery scale oligonucleotide platform.
- The Company's Computational & Data Sciences unit facilitates rapid and informed decisions for research and development activities. We continued to invest in AI-based drug discovery and have launched SARchitect™, our proprietary platform for data visualization and analysis, which includes features specifically designed to foster collaboration between scientific experts across disciplines and geographies. We have also launched SynTIPS, which provides entirely automated and rapid identification, collation, and analysis of data related to biological targets and pathways, including prioritization.

Discovery Services expanded its capacity in Hyderabad and enhanced its capabilities to provide end-to-end therapeutic services in line with its growth strategy.

Dedicated R&D Centers**(a) About the services**

The Dedicated R&D Centres offer a comprehensive "turn-key" solution to clients. They provide everything required to advance research projects, including highly trained scientific personnel, management, cutting-edge infrastructure, operating systems, processes, and procedures that comply with regulatory requirements. These Dedicated Centres are exclusively operated for a single client and are set within a scientific ecosystem that facilitates fast scaling up of operations when needed.

Syngene's Dedicated Centers offer dedicated multi-disciplinary scientific teams, support personnel, and a tailor-made ring-fenced infrastructure according to client specifications to support clients' R&D goals.

The Dedicated Centers are usually a part of long-term strategic partnerships for five-years or longer. The Dedicated Centers are generally multi-disciplinary, Full Time Equivalent (FTE) based engagements that support a wide array of integrated R&D requirements of the clients.

The Dedicated Centers have client staff co-located in the Dedicated Center premises, thereby creating a truly collaborative environment, with real-time and continuous exchange of ideas, which fosters creativity and learning for all stakeholders

Syngene operates dedicated R&D centers for three clients: Bristol-Myers Squibb, Baxter Inc., and Amgen Inc. These collaborations have grown and expanded consistently over the duration of the contract.

(b) Syngene's strategy

Extend and expand Dedicated R&D Centres

The Company remains focused on continuing to strengthen the existing partnerships with Amgen, Bristol Myers Squibb and Baxter through the dedicated centres which provide a strong foundation for future planning; such partnerships provide revenue visibility over the medium to long-term with predictable cash flows.

(c) Progress made during the year

The dedicated centres delivered outcomes determined by the agreed key performance indicators, and infrastructure investments were implemented as planned to enable growth in capacity and capabilities.

Overall, Syngene's revenue from Research services grew by 20% year on year, with Discovery Services growing at 31%. Year on year revenue growth of the Dedicated Centres was at 7%. The contribution to total Syngene revenue from Research Services was at 65% for the year compared to 66% in the previous year.

Overall outlook for Research Services

The demand for CRO services continues to be healthy. In light of the global economic situation, we are optimistic about the market opportunity for CRO services. The Company is well-positioned to capitalize on this opportunity because of its continued focus on driving functional services and Integrated Drug Discovery solutions, and its investments in capabilities, technologies and platforms to better meet client requirements. Focus areas include: establishing proprietary platforms for protein-yielding cell lines and antibody therapeutic discovery, continuing to leverage the power of artificial intelligence and machine learning to reduce discovery timelines and costs, and further expanding the research facilities in Hyderabad and Bangalore.

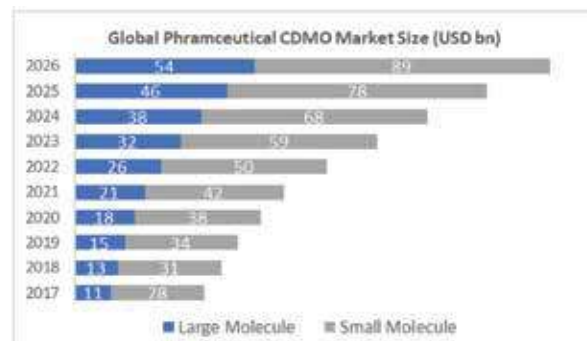
In the Dedicated Centers, the Company will continue to focus on meeting the needs of its long-term strategic partners through investment in new capabilities and continuous improvement in services.

Contract Development and Manufacturing Services (CDMO)

CDMOs specialize in the development, scale-up and manufacturing of drug products both for clinical trials and for commercial distribution. CDMOs offer a range of services that include drug development, process development, analytical testing, formulation development, scale-up, manufacturing, packaging, and distribution. These services can be provided on a stand-alone basis or as part of a complete end-to-end service offering.

(a) Contract development and manufacturing services – market size and attributes

The Global CDMO market was valued at USD 76 bn in 2022² and is expected to grow at a CAGR of 17.1% to reach a market size of USD 143 Bn in 2026. Similar to CRO market, the growth in CDMO activity has accelerated, driven by the increasing trend of outsourcing.



²Frost & Sullivan Global Pharmaceutical CDMO Market Size

(i) Small molecule development and manufacturing services market

A typical small molecule CDMO offers services in clinical scale drug substance and drug product development. It also covers manufacturing services and commercial scale development and manufacturing services.

The global small molecule CDMO market was USD 50 bn in the year 2022 and is expected to grow at a CAGR of 15.5% to reach a market size of USD 89 bn by 2026³.



³Frost & Sullivan Global Pharmaceutical CDMO Market Size

The expansion in the global small molecule drug development industry is a result of factors such as increase in chronic diseases, increase in healthcare expenditure, and upcoming patent expirations of few of the largely used pharmaceutical drugs.

Over the past few years, small molecule drugs have been prevalent among the various drug types. High-throughput screening methods are mostly used in the industry to rapidly access the lead candidates for medical targets.

Asia Pacific has the potential to be the promising outsourcing market for small molecules due to the abundance of CROs in the region. Countries like South Korea, India, and China are investing substantial amounts in the pharmaceutical sector expansion.

(ii) Large molecule development and manufacturing services market

The large molecule market size is currently estimated at USD 26 bn and is forecast to grow at a CAGR of 20% to reach the market size of USD 54 bn by the year 2026. Even though the current market size of large molecules is approximately half that of small molecules, the CAGR of large molecules market is 5% above that of small molecules market which is 15%.

This higher CAGR of large molecules market is driven by the large number of large molecule drug approvals, mainly from US FDA, as well as the increase in infectious diseases, rise in demand for novel therapeutics and the increased capital investments by pharma companies.



⁴Frost & Sullivan Global Pharmaceutical CDMO Market Size

Drug development for large molecules can be divided into two sections: drug product (DP) development, which includes filling the drug substance into the primary container, and drug substance (DS) development, which includes the development of master and working cell banks, manufacturing process development, and scale-up.

Syngene's development and manufacturing services

Development Services

In Development Services, Syngene offers preclinical development, API and drug product development for both small and large molecules. We engage in drug development services from lead generation to clinical supplies of drug substance and drug product. Our Clinical development services are across Phase I, II & III trials. We also support our clients in drug filing with US FDA and other regulatory authorities.

Syngene's strategy

(a) Integrated approach leveraging existing capabilities:

Providing end-to-end chemical manufacturing control (CMC) support for a drug -development requires many specialized resources. Clinical supplies, manufacturing, and stability, along with an in-house team of regulatory experts and qualified personnel help achieve faster regulatory filing and first-in-human studies while maintaining tight control over quality and expenditure. Syngene's credentials include delivery of integrated CMC programs, including moving drug candidates from lead optimization to IND dossier submission in under 12 months.

(b) Progress made during the year

We continued to drive integration across the Development Services division, thus strengthening our position as a one-stop shop for CMC services. During the year we acquired new scientific skills and capabilities which are proven in the successful delivery of projects for our clients. Capabilities added include high potency laboratory to handle band 4 compounds at milligram to 500g scale; synthesis of linkers and toxins from milligrams to commercial scale; expertise in anionic polymerization technique to customize polymer architectures for various applications; and expertise in making polymeric architectures to be used as linkers in drug-polymer conjugates.

Capability and capacity additions during the year

The Company continued to invest in enhancing its capabilities to provide full spectrum of services. A new injectable fill-finish facility with a filling capacity of about 2,000 vials per hour was commissioned. This GMP-compliant facility will enable us to address the drug product requirements of both small molecules and large molecules for early phase clinical supplies covering the injectable market.

Syngene's Manufacturing Services

Manufacturing Services completes the integrated platform offering to our customers.

(i) Small molecule commercial manufacturing services

The Company has a state-of-the-art small molecule commercial manufacturing facility in Mangalore. The company expects to secure US FDA and other major regulatory approvals for the facility in the current financial year.

Syngene offers current Good Manufacturing Practices (cGMP) manufacturing from benchtop volume to commercial scale as well as end-to-end solutions from GLP-Tox batches to clinical supplies, scale-up, launch and commercial manufacturing.

(ii) Large molecule development and manufacturing services

Syngene is a fully integrated custom biomanufacturer. Our solutions include mammalian and microbial capabilities for clinical and commercial supplies. We have a strong track record in terms of experience and know-how across monoclonal antibodies, bispecific, antibody fragments, recombinant proteins, glycoproteins, mRNA, microbial (*E. coli* and *Pichia*) and microbiome Live Biotherapeutic Product (LBP).

Our biologics manufacturing facility can accommodate multi-product production campaigns simultaneously, based on a single-use technology platform. It is designed to support clients during long-term commercial manufacturing campaigns. Our facility has a wide range of the latest technology combined with rich experience in handling cell culture-based products.

Syngene's strategy

(a) Provide end-to-end solutions for biologics development and manufacturing

The Company aims to capitalize on strong demand for both biologics and biosimilars at clinical and commercial scale. This is being enabled by adopting an 'end-to-end solutions' approach and investing in additional capacity. For small molecules we continue to focus on securing US FDA and other major regulatory approvals for the small molecule commercial scale manufacturing facility in Mangalore to attract a broader range of projects.

(b) Progress made during the year

Our strategy to provide end-to-end solutions in biologics came to fruition with the signing of the ten-year biologics manufacturing agreement with Zoetis. Following successful regulatory approvals for our biologics manufacturing facilities, the commercial manufacturing of drug substance for Zoetis started in the fourth quarter. In addition to growing our capabilities in monoclonal antibodies, our portfolio was expanded with service offerings for GMP manufacturing of plasmid DNA and mRNA.

Capability and capacity additions

- Manufacturing services achieved a significant milestone by signing a 10-year agreement with leading animal health company, Zoetis, to manufacture the drug substance for Librela® (bedinvetmab), a first in class monoclonal antibody used for treating osteoarthritis in dogs.
- Key regulatory milestones were also achieved by successfully clearing GMP audits by US Food and Drug Administration (USFDA), European Medicines Agency (EMA) and Medicines and Healthcare products Regulatory Agency (MHRA) as part of commercial drug substance manufacturing of Librela®.

- As part of our efforts to develop new capabilities, we successfully developed and transferred processes for GMP manufacturing for mRNA-based product therapies in the context of advanced therapy medicinal products (ATMP) from microbial platforms.

Overall, Development and Manufacturing Services revenue grew by 28%. Excluding the contribution of Remdesivir in the previous year, the year-on-year growth of Development and Manufacturing Services in the year under review was 60%. The share of Development and Manufacturing Services was 35% of Syngene's revenue from operations in FY23 compared to 34% in the previous year.

Outlook for Development and Manufacturing Services

The fundamentals of the Company's small molecule CDMO Services are robust with an integrated platform for development and commercial manufacturing. The small molecule GMP commercial manufacturing facility is expected to ramp up utilization post USFDA approval expected in the current financial year. We believe this will help capture potential commercial manufacturing opportunities for novel molecules.

The Company will add capabilities and capacity for non-GMP manufacturing of small molecules to provide greater flexibility and speed for clients.

With respect to large molecules, Syngene is well-positioned to capture the increasing demand for biologics development and manufacturing. The focus of the Company is to execute on key client contracts and augment capacity to meet the demand opportunity.

Operational Review

Research services

Our research services had a strong year of successful delivery of client projects, capability additions, and contribution to overall organizational growth. During the year, the Company continued delivering on its strategy of providing end-to-end drug discovery capabilities.

The company moved forward in strengthening Syngene SynVent™, a specialized platform for integrated therapeutic discovery and preclinical development, led by a team of professional drug hunters with pharma and biotech experience across multiple therapeutic areas and modalities. This year, our client integrated portfolio comprised 17 projects across diverse therapeutic areas and modalities, ranging from small molecule inhibitors to targeted protein stabilization.

We made significant strides in strengthening our end-to-end therapeutic drug discovery capabilities through scientific enhancements. Now with over 900 scientists in Hyderabad, we have not only expanded our Discovery Chemistry operations, but also installed a fully automated compound management system.

We also invested in improving our operational effectiveness, including establishing both a catalyst screening facility and a centre of excellence for biology screening in Bangalore. Furthermore, we launched a virtual reality-based learning experience for new employees, with a focus on safety.

Our investment in automation was recognized with two Gold Awards for Low-Cost Automation at the 7th Confederation of Indian Industry. We remain committed to leveraging the latest scientific and technological advancements in our efforts in drug discovery and development.

Development and Manufacturing Services

Development Services delivered sustained performance during the year. Growth was predominantly driven by repeat orders from existing clients, as well as an increase in the number of collaborations with emerging biopharmaceutical companies.

A key operational milestone was the completion of the construction of a state-of-the-art sterile fill-finish facility. The GMP-compliant facility will offer end-to-end solutions in developing and manufacturing small and large-molecule injectables to support the delivery of clinical supplies.

In Formulation Development, while bringing innovation to the workplace, the team has proven expertise in developing hard and soft chew palatable oral solid dosage forms for companion animals. Novel combination products with four to five drug substances were developed and manufactured. Similar innovation was demonstrated in developing an injectable solution to treat age-related macular degeneration (AMD) using novel biodegradable polymer nanoparticles – a novel drug delivery system.

In Chemical Development, the team strengthened its technical capabilities in developing complex chemistries and extended its capabilities in manufacturing oligonucleotides, polymers, and highly potent drug substances. In-house expertise was developed to design and prepare complex polymers to link the biologically active cytotoxic payload or drug payload and monoclonal antibody to develop Antibody Drug Conjugates (ADC).

Quality, Compliance, and Safety remained the prime focus areas for operational execution in Development Services, which have helped build customer confidence and sustained partnership.

In Manufacturing Services our Biologics division achieved significant milestone by signing of a 10- year agreement with leading animal health company, Zoetis, to manufacture the drug substance for Librela® (bedinvetmab), a first in class monoclonal antibody used for treating osteoarthritis in dogs. Significant regulatory milestones were achieved by successfully clearing GMP audits by US Food and Drug Administration

(USFDA), European Medicines Agency (EMA) and Medicines and Healthcare products Regulatory Agency (MHRA) as part of commercial drug substance manufacturing of Librela®.

As part of our efforts to develop new capabilities, we successfully developed and transferred processes for GMP manufacturing for mRNA-based product therapies. These products are part of products related to Advanced Therapy Medicinal Products (ATMP) from microbial platforms.

Enabling Functions

The Quality function supported the drive to be 'Anytime Audit Ready' in all operations. Aligned with this focus, continued investments in digitization reduce the impact of human error and increase the ability to audit quality and other processes. Productivity, quality, and compliance dashboards, based on data captured using Electronic Lab Notebooks, are now available.

Across all operations, the commitment to continuous improvement ensured that operations are compliant, and a lean quality control program was implemented to make laboratories more efficient. As a result, downtime of instruments was reduced and productivity was increased.

Successful completion of the USFDA, EMEA and MHRA audit of Biologics manufacturing facility is a testimony of Syngene's quality systems and processes.

Information technology has been helping in transforming Syngene's operations and driving business outcomes by leveraging digital technologies. In Discovery services we have completed the transition from paper-based lab notebooks to electronic lab notebooks. The Company is also in the process of digitizing its warehouse operations with a combination of QR codes and handheld devices that will enable digital mode of handling all inventory transactions within the warehouse on a real-time basis in Development and Manufacturing operations. During the year, QR codes were implemented for Chemical development. Syngene entered pharma 4.0 journey by implementing eBMR (paper on glass) across its development and manufacturing Services. Electronic batch manufacturing records (eBMRs) will help track and monitor production process throughout manufacturing. eBMRs capture data in real time, improve the compliance by minimizing data entry errors, and reduce the batch release cycle.

The Company continued to invest in creating a differentiated customer experience through its project management platform, Synpro. Even as the core project management function was strengthened, more than 800 employees across technical and non-technical functions were trained in the basics of project management. A high level of QOTIF (quality on-time in-full) performance was effectively sustained.

Strategic sourcing has continued to play a pivotal role in fulfilling the Company's diverse procurement needs. The Company was able to demonstrate resilience against global disruptions by harnessing its multi-geographical supplier base. The efforts towards increasing local sourcing in small molecule discovery and development businesses have started producing favorable results in lead time improvement for raw material delivery. In a brief period, the Company has been able to streamline its raw material delivery plans through robust supplier management practices for the manufacturing services with the inception of the Zoetis engagement.

At Syngene, Operational excellence is a way of working. This year, the organization achieved significant milestones across various elements of operational excellence, including capability building, efficiency, cost and engagement. We continued to strengthen key processes of Kaizen Ideas, Why Analysis and SQDECC (Shop floor daily management process to monitor and improve safety, quality, delivery, engagement, compliance, and cost) in all areas. The SQDECC teams completed more than 300 why-why analysis this year. During the year, more than 2,500 employees completed their white belts (first level of operational excellence certification) and contributed to several Kaizens and problem solving. The organization is fully committed to drive excellence in all parts of the organization and to build the next-level journey on the foundation created.

Human Resources

Syngene's operations are delivered by a highly trained, experienced workforce, of which 88% are scientists.

During the year, the Company continued its commitment to hiring, developing, and retaining employees to ensure that it has the capabilities to scale and sustain its growth.

In addition to experienced industry hires, the Company ran virtual campaigns to attract new graduates. These new graduates constitute a significant proportion of new hires at Syngene, and the company invests in their training and development to help them get the best start in their scientific career. The Syngene Training Academy (STA) enables these staff members to develop the skills they need to operate safely and productively in a demanding, industrial science working environment. The STA encompasses both technical and behavioral training over a six-month period.

The Company's talent development plans include launching the managerial development plan for coaching managers, launching the competency development framework, employee surveys and pulses for employee engagement along with focused plans on succession planning and quarterly talent reviews. Science certification and trainings have also garnered momentum this year with continued focus for the next fiscal as well.

FY23 Financial Performance

The consolidated financial performance of the Company for FY23 (in Rs Mn) is discussed below.

Particulars	FY 23	FY 22	Change %
Total Revenue	32,638	26,570	23%
Expenses			
Cost of chemicals, reagents and consumables consumed	9,022	7,706	17%
Changes in inventories of finished goods and work-in-progress	(420)	(216)	94%
Employee benefits expense	8,417	7,181	17%
Other expenses	5,148	3,958	30%
Foreign exchange fluctuation loss/ (gain), net	418	(548)	-176%
Earnings before interest, tax, depreciation and amortisation (EBITDA)	10,053	8,489	18%
Depreciation and amortisation expense	3,665	3,097	18%
Finance costs	452	241	88%
Profit before tax and exceptional items	5,936	5,151	15%
Exceptional items		307	-100%
Profit before tax	5,936	4,844	23%
Tax expense	1,292	886	46%
Profit for the year	4,644	3,958	17%
Other comprehensive income for the year	(972)	433	-325%

Particulars	FY 23	FY 22	Change %
Total comprehensive income for the year	3,672	4,391	-16%
Revenue from operations	31,929	26,042	23%
Earnings from operations	9,344	7,961	17%
PAT before exceptional item	4,644	4,211	10%

Revenue

During FY23, we reported a 23% growth in revenue from Rs 26,570 Mn in FY22 to 32,638 Mn. Revenue from operations, was up 23% from Rs 26,042 Mn in FY 22 to Rs 31,929 Mn in FY23. Growth was driven by solid delivery across all divisions.

Cost of materials consumed

The cost of materials consumed in FY23 increased by 15% to Rs 8,602 Mn, accounting for 27% of revenue from operations.

Adjusted for the higher proportion of materials for remdesivir sales, the material costs reflected the revenue growth and the change in business mix towards development and manufacturing services

Employee benefits expense

The employee costs for the year increased by 17.2% to Rs 8,417 Mn. The increase was in line with headcount additions and the salary increment during the year.

Other expenses

Other expenses showed a 30% increase versus the previous year. This is primarily due to cost inflation as well as an increase in business travel, sales promotion, and other overheads. Also,

power and facility costs, increased by 22% year-on-year due to inflationary pressures. During the year, we saw the benefit of our investments in renewable energy, which not only de-risked the cost of energy supply but also helped us make good progress on our environmental commitments by reducing carbon emissions. Despite an increase in total energy consumption due to the expansion of our facilities and increasing power and fuel tariffs, these investments provided us with a mechanism to mitigate cost increases.

Foreign exchange fluctuation

The Company made an exchange loss of Rs 418 Mn during FY23 as against an exchange gain of Rs 548 Mn in the previous year. Fiscal year 2023 was marked by unprecedented depreciation of Rupee against the Dollar.

The loss in FY23 was largely on account of the hedge rates being lower than the prevailing market rates.

Depreciation and amortisation expense

Depreciation and amortization increased to Rs 3,665 Mn from Rs 3,097 Mn in FY22. This reflects the additional depreciation in new investments in expanding the Hyderabad facility, Biologics, and other investments across the business.

Finance costs

The Finance costs increased by 88% to Rs 452 Mn in FY23 compared to Rs 241 Mn in FY22 driven by ~100 bps increase in interest rates, exchange rate difference on foreign currency borrowings (cost increased by Rs 41 Mn) and interest component of lease liabilities on new properties taken on lease (cost increased by Rs 60 Mn). The average cost of debt was maintained at 3% p.a.

Interest coverage ratio is adequate at 14 times in FY23.

Tax expenses

Tax expenses for the year stood at Rs 1292 Mn in FY 23 in comparison to Rs 940 Mn (before exceptional items) in FY 22.

The effective tax rate increased from 18.3% in FY22 to 21.8% in FY23. This increase in effective tax rate is attributable to some of the units moving out of the SEZ tax benefit period and the revenue growth in Discovery Services from units that do not have any tax benefits.

Profitability

The Company's reported Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) in FY23 grew by

18.4% to Rs 10,053 Mn compared to Rs 8,489 Mn in FY22.

EBITDA margin for the year was at 30.8% compared to 31.9% in FY22. Other income for the period increased by 34.1% to Rs 709 Mn which was driven by an increase in the cash balance and better yields on bank deposits and on other instruments.

Excluding other income, EBITDA from operations was at Rs 9,344 Mn in FY23 compared to Rs 7,961 Mn in FY22, an increase of 17.4% YoY registering a margin of 29.3% of revenue from operations for the year as compared to 30.6% in the previous year.

Profit After Tax before exceptional items increased by 10.3% from Rs 4,211 Mn to Rs 4,644 Mn.

Profit After Tax (PAT) after exceptional items increased by 17.3% to Rs 4,644 Mn, as against Rs 3,958 Mn in FY22.

Other Comprehensive Income

Other comprehensive income includes re-measurement gains/losses on defined benefit plans and gains/losses on hedging instruments designated as cash flow hedges. The decrease/increase is primarily due to mark-to-mark gain/loss on the hedge instruments.

Analysis of the Consolidated Balance Sheet: The following table exhibits the Company's balance sheet as on 31st March,2023 and 31st March,2022:

Particulars	FY 23	FY 22	Change %
ASSETS			
Non-current assets			
Property, plant and equipment	23,834	21,229	12%
Capital work-in-progress	1,769	3,464	-49%
Right-of-use assets	2,169	2,188	-1%
Investment property	481	385	25%
Other intangible assets	185	126	47%
Financial assets	3,293	4,155	-21%
Deferred tax assets (net)	696	656	6%
Income tax assets (net)	1,381	1,191	16%
Other non-current assets	249	185	35%
Total non-current assets	34,057	33,579	1%
Current assets			
Inventories	3,328	1,794	86%
Financial assets	19,866	19,120	4%
Other current assets	1,059	1,145	-8%
Total current assets	24,253	22,059	10%
Total assets	58,310	55,638	5%
EQUITY AND LIABILITIES			
Equity			
Equity share capital	4,014	4,008	0%
Other equity	32,166	28,968	11%
Total equity	36,180	32,976	10%
Liabilities			
Non-current liabilities			
Financial liabilities	7,247	7,501	-3%
Provisions	437	344	27%
Other non-current liabilities	2,564	2,528	1%
Total non-current liabilities	10,248	10,373	-1%
Current liabilities			
Financial liabilities	4,659	6,233	-25%
Provisions	510	582	-12%
Current tax liabilities (net)	147	240	-39%
Other current liabilities	6,566	5,234	25%
Total current liabilities	11,882	12,289	-3%
Total equity and liabilities	58,310	55,638	5%

Non-current assets

Increase in non-current assets was primarily due to investments in tangible assets in research services towards adding lab capacity and in Biologics in augmenting support infrastructure to scale up the existing facility to deliver at full scale. Other investments were made in Development Services towards adding clinical scale Injectable Fill Finish capability amongst others.

Working Capital (Current assets, less current liabilities)

Working capital increased to Rs 12,372 Mn in FY23 from Rs 9,770 in FY22. This Increase was primarily due to increase in inventory levels by Rs 1,534 Mn to ensure that there is no disruption in client deliveries due to supply chain delays and to support holding of long lead time materials in case of biologics.

Equity share capital

The Company's equity share capital comprises of approximately 400 million equity shares of Rs 10 /- each.

Other equity

Other equity comprises the share premium, retained earnings, cash flow hedging reserves and other reserves. The total reserves and surplus of the Company increased by 11% in FY 23 as a result of the accumulation of profits earned during the year and the movement in items of other comprehensive income.

Non-current liabilities

Non-current liabilities include:

Long-term borrowings in the form of an External Commercial Borrowing (ECB) facility of USD 50 Mn and Foreign Currency Term

Loan (FCTL) facility of USD 20 Mn to fund the capital expenditure of the Company. Deferred revenues relating to assets funded by third parties that are to be amortized over the useful life of the assets/period of contract to Other operating Income.

The debt: equity ratio of the Company as on 31 March 2023, improved to 0.16 as compared to 0.24 as on 31 March 2022 due to repayment of borrowings.

Net Cash position:

Taking into account of investments in inter-corporate deposits with financial institutions, deposits with banks, cash and cash equivalents and investments in overnight mutual funds, the Company is net cash positive as of 31 March 2023. The net cash position increased from Rs 7,325 Mn as of 31st March 2022 to Rs 9,561 Mn as of 31st March 2023.

Contingent liabilities

Contingent liabilities include tax and other proceedings that arise from time to time in the ordinary course of business. Contingent liabilities stood at Rs 6,219 Mn as of 31 March 2023 in comparison with Rs 5,478 Mn as of 31 March 2022. The above includes Income tax disputes of Rs. 4,857 Mn (FY10 to FY18) and Rs 1,349 Mn pertaining to FY21 while the assessment orders for FY19, FY20, FY22 are pending.

Other than the matters disclosed above, the Company is involved in taxation matters that arise from time to time in the ordinary course of business. Management is of the view that these will not have any material adverse effect on the Company's financial position or results of operations.

RISKS, CONCERNS AND MITIGATION STRATEGY

Risks and Concerns

Risk Management is an integral part of management practice in the Company and is correlated with the execution of its strategic priorities. An Enterprise-wide Risk Management framework provides a holistic approach to identification, monitoring, reporting and mitigating risks that could impact performance. Risk mitigation is reviewed regularly under a governance process involving the Executive Risk Committee and the Board Risk Committee.

The Executive Risk Committee assesses the probability, velocity, and severity of all enterprise risks. Emerging risks are identified and discussed with the Risk Committees along with the

mitigation action plan. Every enterprise risk has an identified risk owner from the Executive Committee and the risk owners in addition to providing a quarterly update on the mitigation status, also leads a full risk review once a year with the Board committee.

Syngene's Enterprise Risk Management framework is aligned to SEBI regulations and risks have been categorized into sectoral, operational, sustainability/ESG, financial, information/cyber security risks. In line with strategy and its success factors five additional risks were identified and have been included in the table below. The following table provides a summarized view of the major risks and mitigations plans in the risk framework. Risk classification is based on probability, velocity and impact of the risk on the business.

Risks and mitigation plan in action

Risks		Risk mitigation actions
	Sectoral Risks	
1	Risk arising from customer concentration – risk of loss of revenue in the event of the loss of a key customer	<p>Commercial execution focusing on gaining new logos has reduced dependence on any single customer.</p> <p>The Company endeavors to strengthen partnerships with largest customers by establishing long-term contractual arrangements that enable deepening the relationship driving longevity and interdependency.</p> <p>Customer centricity is at the core of the company values and several initiatives have been rolled out focusing on performance management, customer engagement, and process simplification, to further improve the satisfaction.</p>
2	Risk arising from failure to keep pace with emerging client technology requirements <p>Scientific research is fast evolving with new and innovative technologies driving product innovation and new therapeutic approaches. Improved digital and computational capabilities are also transforming the speed and effectiveness of discovery research. Syngene's clients operate at the leading edge of innovation. For these companies, part of the attraction of working with a CRO is having access to the latest skills and technology.</p>	<p>Board level Science and Technology committee and council established during the year met 4 times to review and provide inputs on technology advancements.</p> <p>Over recent years, the Company has invested in technologies like artificial intelligence, new science, automation, and capability expansion to be able to offer the latest technology offerings to its customers.</p>
3	Risk arising from not being aligned with clients' sustainability goals thereby getting excluded from clients' consideration.	Initiated the process to determine science-based -targets and ensure delivery across operations to meet required annual emission reduction targets.

Risks		Risk mitigation actions
	Operational Risks	
4	<p>Risk arising from lack of progress in biologics/large molecules development and manufacturing services leading to potential loss of business opportunities and inadequate return on investment.</p> <p>Syngene has expanded into contract manufacturing over the recent years. Large molecule manufacturing is an important pillar of Syngene's manufacturing strategy, and the Company has made investments in mammalian and microbial facilities to manufacture large molecule drug substance.</p>	<p>Entered into a 10-year agreement with Zoetis Inc., a leading animal health company for biologics commercial manufacturing.</p> <p>Successfully completed the USFDA, EMEA and MHRA audits of Biologics manufacturing facility that enables the execution of the long-term collaboration with Zoetis.</p> <p>The company is committed to make continuous investments in adding capacity and capabilities to meet the increasing demand and capture its share of growth in biologics market.</p>
5	<p>Risk arising from failed execution of the Integrated Drug Discovery (IDD) strategy</p> <p>The ability to offer IDD is important to clients who choose to operate within an asset light model and consequently prefer to outsource the full drug discovery value chain to a contract research partner. Many venture capital funded biotech companies take this approach and increasingly larger biopharma companies are also accessing this model to retain a flexible approach to capital investment.</p>	<p>Extensive investment in building capabilities and leadership across strategic, scientific and program management organization to ensure successful execution of IDD programs.</p> <p>Commercial strategy with a well-rounded plan for client engagement to ensure portfolio and revenue growth.</p>
6	<p>Risks arising from ineffective execution of projects across development services</p>	<p>Implementation of effective project management framework through SynPro tool enabling delivery of client projects measured through Quality, Ontime In Full metric indicating client satisfaction.</p> <p>Continuous efficiency improvement programs and enhanced operational integration for sustained delivery of projects.</p>
7	<p>Risk arising from inability to establish a world class, global sales/marketing/ commercial operation.</p> <p>Syngene's customers are located across the globe, with the majority in North America, Europe, and Japan. An effective, close to the customer, commercial organization is required to ensure the Company can build and maintain the right level of relationships with current and new customers.</p>	<p>Established global sales team with seasoned leaders in important markets around the world has brought the company closer to its clients, which has improved customer engagement, made access easier, and increased responsiveness.</p> <p>Efforts continue to simplify and improve processes across all customer touch points.</p>
8	<p>Risk arising from inadequate infrastructure planning and execution</p> <p>Syngene's discovery, development and manufacturing units require investment in state-of the-art infrastructure to support growth. Failure to deliver the infrastructure in time risks our ability to deliver planned growth.</p>	<p>Infrastructure requirement both short term and long term are periodically reviewed via a company-wide, executive level infrastructure committee, led by the Chief Operating Officer.</p> <p>Infrastructure planning is a key element of the annual planning process, and the capex budget provides for infrastructure expansion as outlined in our 5-year plan.</p>
9	<p>Risk arising from inadequate execution of the API manufacturing strategy.</p>	<p>Syngene has invested in a state-of-the-art USFDA and EMA compliant manufacturing facility with cGMP operations, systems and processes.</p> <p>Pathway for obtaining key regulatory approvals in place.</p> <p>Developing a clear customer proposition and global sales and marketing capability to increase capacity utilization</p>

	Risks	Risk mitigation actions
10	<p>Risk arising from inadequate project management leading to project delays, client dissatisfaction and loss of business.</p> <p>As one part of a complex value chain, customer projects must be delivered at the right level of quality and within committed time frames. This requires an effective company-wide program management capability to ensure on-time, to quality, operations.</p>	<p>Investments in establishing a highly experienced, highly capable program management capability, supported by investments in technology and staff training is delivering consistent and competent project management across organization.</p> <p>Capability upgrade and institutionalized changes has resulted in progressively improving delivery thereby improving customer satisfaction.</p>
11	<p>Risk arising from inability to attract, train and retain a skilled workforce</p>	<p>Syngene's operations are delivered by a highly trained, experienced workforce, of which 87% are scientists.</p> <p>During the year, the Company continued its commitment to hiring, developing and retaining employees to ensure that it had the capabilities to scale and sustain its growth.</p> <p>In addition to experienced industry hires, the Company ran campaigns and collaborated with universities and institutions to attract new graduates. These new graduates constitute a significant proportion of new hires at Syngene.</p> <p>Company invests in training and development of fresh hires to help them get the best start in their scientific career.</p> <p>The Syngene Training Academy (STA) enables these staff to develop the skills they need to operate safely and productively in a demanding, industrial science working environment. The STA encompasses both technical and behavioral training over a six-month period.</p> <p>Company wide management development program undertaken to develop leadership skills among employees</p> <p>The Company is committed to providing equal opportunity and offering fair pay to all employees and regularly undertakes salary benchmarking and calibration to ensure pay and reward levels are competitive within the labor markets we operate in.</p>
12	<p>Risk arising from disruption in operations caused by shortage of water</p> <p>Water is a key input for many of Syngene's processes and consequently the company places a high degree of focus on ensuring that we manage this scarce precious resource with care.</p>	<p>The company has implemented a combination of strategies to ensure sufficient water supply for all of its operating plants. These strategies include extensive recycling of used water, rainwater harvesting, building on-site water tanks to offset any interruptions in external supplies.</p> <p>In line with its sustainability objectives, the company has invested in new methods for reducing water use and has already achieved a 40% reduction in freshwater demand.</p> <p>Syngene distributes its operations across multiple geographies as a mitigation strategy to address resource disruption in any one location.</p>

	Risks	Risk mitigation actions
13	<p>Risk arising from failure to adhere to Standard Operating Procedures (SOP) and meet industry compliance and operating norms</p> <p>Biopharma, and more broadly life-science operations, are highly regulated and require a high attention to consistent output quality. Standard Operating Processes must be well understood and followed with no deviation across all applicable aspects of operations.</p>	<p>Institutionalized a sophisticated industry and regulatory standard SOP framework with staff undergoing periodic training and testing on SOPs.</p> <p>Operational adherence monitoring through line management supported by a digital platform.</p> <p>SOPs are constantly upgraded to meet Industry compliance and operating norms.</p>
14	<p>Risk arising from lack of inventory planning and management leading to material wastage, delays in project execution and higher costs of operations</p>	<p>Increased focus on reducing inventory days through materials and operations planning with the help of methods and processes.</p> <p>Sales Inventory & operating process enables need based ordering of materials to manage inventory levels.</p>
15	<p>Risk arising from inability to ensure adequate management of safety hazards within operations.</p> <p>Syngene operations have inherent risks associated with dealing with hazardous chemicals and sensitive biological entities.</p> <p>Additional operational safety hazards include factors such as working with heavy engineering, working at height and working with heat.</p>	<p>Safety is of prime focus within the organization and has now been established as the fourth value organization wide. Several measures have been taken to inculcate safety culture and establish a “safety first” mindset from their first day of employment and throughout their tenure with the company.</p> <p>A company-wide safety program KAVACH is followed that provides a safety vision and mission integrated with Syngene values. It includes a governance framework that tracks change in mindset and behaviors through multi-tier safety council meetings.</p> <p>Safety consciousness is driven through communication campaigns and is reinforced through strictly monitored safety operating protocols.</p> <p>Near miss reporting is encouraged and learnings are discussed and shared across the organization.</p>
16	<p>Risk arising from disruption in the global supply chain leading to delayed delivery of client projects</p> <p>An effective, reliable supply chain is important to company operations.</p> <p>Any adverse developments impacting supply chain operations, such as a global pandemic, or geopolitical events can result in supply chain disruption thereby impacting our ability to deliver operations which in turn can adversely impact customers.</p>	<p>Building resilience in sourcing and logistics has been a priority over recent years driving investment in global category management processes and development of a broader array of global supply and logistics partners.</p> <p>Creating a vendor partner network along with other industry players to develop local ecosystem that can supplement the global sourcing.</p>
17	<p>Risk arising from failure to uphold high standards of business integrity and ethics</p>	<p>Our Anti-bribery and Anti-Corruption (ABAC) policy applies to all employees and partners, with a structured program of communication and annual training refreshers to ensure that it is widely understood.</p> <p>In addition, all vendors must meet the company's ABAC compliance standards and receive training during onboarding and periodic refreshers.</p> <p>ABAC compliance is a core part of governance reviews, and all active vendors have undergone ABAC compliance verification program</p>

	Risks	Risk mitigation actions
18	Risk arising from non-compliance with Environmental / Health/Safety regulations	<p>Syngene monitors all regulations related to environment, health, and safety through a governance process to ensure compliance at all times.</p> <p>The compliance assurance process is facilitated by an internal portal and supported by a specialized legal and regulatory help desk.</p> <p>The day-to-day monitoring of compliance is managed by a team of EHSS professionals, who conduct Gemba safety walks as part of the continuous improvement process to scrutinize compliance regularly.</p>
	Financial Risks	
19	Risk arising from adverse outcomes relating to tax positions	<p>The company takes a cautious stance towards tax planning and makes its tax decisions based on the input of several tax experts to ensure compliance with tax laws and regulations.</p> <p>If necessary, the company has the right to contest adverse tax rulings and seek guidance from professional advisors as needed</p>
20	Risk arising from non-compliance with laws due to inadequate governance framework for regulatory compliance management and reporting	<p>We have made significant investments in implementing an all-inclusive process for monitoring and managing compliance.</p> <p>This process is supported by a cutting-edge digital platform and advice from specialized experts.</p> <p>To facilitate easy access to expert advice and stay up to date with legal and regulatory requirements, the company has established a dedicated legal and regulatory help desk.</p> <p>Additionally, third-party audits are conducted periodically to assess the effectiveness of the company's compliance governance.</p>

Risks		Risk mitigation actions
	Information/Cyber Security Risks	
21	Risk arising due to failure to comply with data privacy and confidentiality requirements related to personal and client data	<p>Our company has established a data privacy policy that is designed to comply with the best industry standards and global regulations on data privacy.</p> <p>To ensure compliance with the policy, a governance framework has been implemented to maintain records of data privacy.</p> <p>Furthermore, a comprehensive communication and training program has been established to educate all employees about the policy.</p>
22	Risk arising from inadequate cybersecurity controls leading to loss of data	<p>The company has implemented a multi-layered cyber security approach using top-notch solutions to prevent cyber-attacks. This framework is regularly reviewed and upgraded to keep pace with emerging threats.</p> <p>To ensure effective management of cybersecurity, the company has established governance based on international standards such as ISO27001, and it conducts regular vulnerability assessments to stress test the system.</p> <p>In addition, the company has launched a continuous education and awareness program for employees to increase their knowledge of cyber threats and phishing risks.</p>
23	Risk arising from failure to timely implement the identified digital initiatives as per IT strategy leading to an adverse impact on future growth <p>Digitization across core operations and enabling functions has been undertaken to improve productivity, improve processes and increase data-based analytics and control capabilities.</p> <p>Failure to keep to timeline on implementation of digital initiatives may adversely impact operations.</p>	<p>Several key digital initiatives have been implemented organization wide as per the approved IT strategy of the company.</p> <p>Focus areas of Syngene's digital program includes Digitization of all transactional processes, automation, integration of process flows, deep data analytics capabilities.</p> <p>Governance and periodic reviews in place to monitor the implementation of various IT programs</p>

ESG

Syngene is committed to delivering shared value to all stakeholders and reporting transparently on its progress annually according to the standards defined by the Global Reporting Initiative and the Sustainability Accounting Standards Board.

The Company has established an Environment, Social, and Governance (ESG) framework which is led by the Executive ESG Council under the oversight of the Stakeholder and ESG Committee of the Board. The focus for activity is on material issues identified through a process of stakeholder engagement in 2021 including:

Environment: energy consumption and efficiency; water consumption and efficiency; waste management

Social: Occupational health & safety; Talent acquisition and

retention; diversity, equity and inclusion; and community investment

Governance: corporate governance and business ethics; cybersecurity; supply chain; digitization

The company recently published its 2022 ESG report, highlighting initiatives and achievements related to environmental, social, and governance topics. Rating agency, MSCI has rated Syngene as BBB among 252 companies in the sector for its ESG performance.

During the year, the Company has continued to invest in renewable energy sources while taking steps to reduce consumption. While the absolute volume of water being used has increased due to the change in mix of operations, the proportion of water being recycled and reused has doubled since the prior year to 40%.

The Company has established a green chemistry capability which offers clients the opportunity to reduce process costs while benefitting the planet. Importantly, the Company has also become a signatory to the United Nations Global Compact (UNGC) which includes the commitment to report annually on its progress in advancing the 10 principles of the UNGC in its operations.

To raise ESG standards and increase the resilience of its supply chain, the Company has implemented ESG screening for vendors in addition to requiring compliance with the Supplier Code of Conduct and completion of mandatory anti-bribery, anti-corruption training.

The company's ESG Council, comprising the Managing Director & Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Human Resources Officer, and Head of Corporate Affairs, has reviewed proposed 5-year environmental targets and made a commitment to address impact on climate change by submitting science-based targets in the year ahead. The targets for social factors as well as plans to manage cybersecurity and digitization will be reviewed during the next fiscal year.

For more details on the company's ESG practices, performance, metrics, and targets, the ESG Report 2021-22 is available on the Syngene website or by following this link: Syngene (syngeneintl.com).

Internal Controls

A robust internal control mechanism is a prerequisite to ensure that an organization functions ethically, complies with all legal and regulatory requirements and observes the generally accepted principles of good corporate governance. It is an extension of the overall corporate risk management framework as well as is an integral part of the accounting and financial reporting process.

Syngene's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The control mechanism provides for well documented policies/guidelines, authorizations, and approval procedures to ensure the orderly and efficient conduct of its business. This includes adherence to Company's policies, safeguarding of its assets, the prevention and detection of frauds and errors, ensuring the accuracy and completeness of the accounting records and the timely preparation and presentation of reliable financial information. The Company believes that its experienced and qualified employees play a key role in fostering an environment in which controls, assurance, accountability, and ethical behaviour are accorded high importance.

The Company has engaged Ernst & Young LLP to carry out internal audit of its activities on a periodic basis. The internal auditors also provide an objective view and reassurance of the internal controls as well as simultaneously auditing transactions. They report directly to the Audit Committee of the Board, which ensures process independence. The Audit Committee, comprising of Independent Directors, reviews the adequacy and efficacy of the internal controls, as well as the effectiveness of the risk management process across the Company.

Cautionary Statement

The Management of Syngene has prepared and is responsible for the financial statements that appear in this report. These statements conform to the accounting principles generally accepted in India and include amounts based on informed judgments and estimates. Syngene's projections, estimates and expectations described in this report should be interpreted as 'forward-looking statements' that can be impacted by various internal and external risks. Risks associated with market, strategy, technology, operations, and stakeholders can significantly impact the business and the actual results may differ substantially or materially from those expressed or implied.