

Independent Auditor's Report

To the Members of Syngene Manufacturing Solutions Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Syngene Manufacturing Solutions Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's report, but does not include the financial statements and auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company does not have any pending litigations which would impact its financial position.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 12(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 12(vi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software:
- For data changes performed by users having privileged access (debug)
 - At the application level for certain fields / tables relating to all the significant financial processes
 - At the database level the audit trail configuration was enabled on 25 October 2024. Also, for one database user the audit trail logging was enabled on 26 February 2025.

Further, where audit trail (edit log) facility was enabled, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

G Prakash
Partner
Membership No.: 099696
ICAI UDIN:25099696BMOOIR1494

Place: Bengaluru
Date: 22 April 2025



Annexure A to the Independent Auditor's Report on the Financial Statements of Syngene Manufacturing Solutions Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any property, plant and equipment during the year. Accordingly, the requirements under paragraph 3(i)(a)(A) of the Order are not applicable to the Company.
- (B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not hold any intangible assets during the year. Accordingly, the requirements under paragraph 3(i)(a)(B) of the Order are not applicable to the Company.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any property, plant and equipment during the year. Accordingly, the requirements under paragraph 3(i)(b) of the Order are not applicable to the Company.
- (c) The Company does not have any immovable property (including immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any property, plant and equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company does not hold any physical inventories during the year. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Company has not commenced commercial operations during this year. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Services Tax ('GST').

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company did not have any dues on account of Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues during the year.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised any loans during the year. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) The Company is an unlisted public company and a wholly owned subsidiary of a listed public company and accordingly, exempted from constitution of an 'audit committee' as stipulated under Section 177 of the Act read with Rule 4(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.
- (b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

- (xvii) The Company has not incurred any cash loss during the year. However, it had incurred cash losses of Rs 382,613 in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

G Prakash

Partner

Membership No.: 099696

ICAI UDIN:25099696BMOOIR1494

Place: Bengaluru
Date: 22 April 2025

Annexure B to the Independent Auditor's Report on the financial statements of Syngene Manufacturing Solutions Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Syngene Manufacturing Solutions Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

G Prakash

Partner

Membership No.: 099696

ICAI UDIN:25099696BMOOIR1494

Place: Bengaluru

Date: 22 April 2025

Balance Sheet as at 31 march 2025

(All amounts are in Indian Rupees, except share data and per share data, unless otherwise stated)

| | Note | 31 March 2025 | 31 March 2024 |
|---|-------|------------------|------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Other financial assets | 3 (a) | 30,000 | 30,000 |
| Income tax assets (net) | | 50,065 | 7,956 |
| Non-current assets | | 80,065 | 37,956 |
| Current assets | | | |
| Financial assets | | | |
| (i) Cash and cash equivalents | 4 (a) | 1,091,200 | 1,573,425 |
| (ii) Bank balances other than (i) above | 4 (b) | 8,500,000 | 8,000,000 |
| (iii) Other financial assets | 3 (b) | 35,966 | 71,606 |
| Total current assets | | 9,627,166 | 9,645,031 |
| Total assets | | 9,707,231 | 9,682,987 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 5 (a) | 10,000,000 | 10,000,000 |
| Other equity | 5 (b) | (567,169) | (682,613) |
| Total equity | | 9,432,831 | 9,317,387 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade payables | | | |
| Total outstanding dues of micro and small enterprises | | - | - |
| Total outstanding dues of creditors other than above | 6 | 274,400 | 365,600 |
| Total current liabilities | | 274,400 | 365,600 |
| Total equity and liabilities | | 9,707,231 | 9,682,987 |

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

for and on behalf of the Board of Directors of Syngene USA Inc.

G Prakash

Partner

Membership number: 099696

Bengaluru

Date: 22 April 2025

Deepak Jain

Director

DIN: 03488061

Bengaluru

Date: 22 April 2025

Andrew Webster

Director

DIN: 10371709

Bengaluru

Date: 22 April 2025

Statement of Profit and Loss for the year ended 31 March 2025

(All amounts are in Indian Rupees, except share data and per share data, unless otherwise stated)

| | Note | Year ended 31 March 2025 | Year ended 31 March 2024 |
|--|------|-----------------------------|-----------------------------|
| Income | | | |
| Revenue from operations | 7 | 141,300 | - |
| Other income | 8 | 500,703 | 79,562 |
| Total income | | 642,003 | 79,562 |
| Expenses | | | |
| Other expenses | 9 | 526,559 | 462,175 |
| Total expenses | | 526,559 | 462,175 |
| Profit/(Loss) before tax | | 115,444 | (382,613) |
| Tax expense | | - | - |
| Profit/(Loss) for the year | | 115,444 | (382,613) |
| Total comprehensive profit/(loss) for the year | | 115,444 | (382,613) |
| Earnings per equity share | | | |
| Basic and diluted (in Rs) | 12 | 0.12 | (0.38) |
| Weighted average no. of shares in calculating earnings per share | | 1,000,000 | 1,000,000 |

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

for and on behalf of the Board of Directors of Syngene USA Inc.

G Prakash

Partner

Membership number: 099696

Bengaluru

Date: 22 April 2025

Deepak Jain

Director

DIN: 03488061

Bengaluru

Date: 22 April 2025

Andrew Webster

Director

DIN: 10371709

Bengaluru

Date: 22 April 2025

Statement of Changes in Equity

for the year ended 31 march 2025

(All amounts are in Indian Rupees, except share data and per share data, unless otherwise stated)

| A. Equity share capital | 31 March 2025 | 31 March 2024 |
|---------------------------------|---------------|---------------|
| Opening balance | 10,000,000 | - |
| Changes in equity share capital | - | 10,000,000 |
| Closing balance | 10,000,000 | 10,000,000 |

(B) Other equity [refer note 5(b)]

| Particulars | Reserves and surplus | |
|-----------------------------|----------------------|--------------------|
| | Retained earnings | Total other equity |
| Balance as at 1 April 2023 | (300,000) | (300,000) |
| Loss for the year | (382,613) | (382,613) |
| Balance as at 31 March 2024 | (682,613) | (682,613) |
| Profit for the year | 115,444 | 115,444 |
| Balance as at 31 March 2025 | (567,169) | (567,169) |

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

G Prakash

Partner

Membership number: 099696

Bengaluru

Date: 22 April 2025

for and on behalf of the Board of Directors of Syngene USA Inc.

Deepak Jain

Director

DIN: 03488061

Bengaluru

Date: 22 April 2025

Andrew Webster

Director

DIN: 10371709

Bengaluru

Date: 22 April 2025

Statement of Cash Flows

for the year ended 31 March 2025

(All amounts are in Indian Rupees, except share data and per share data, unless otherwise stated)

| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---|-----------------------------|-----------------------------|
| I Cash flows from operating activities | | |
| Profit/(Loss) for the year | 115,444 | (382,613) |
| <u>Adjustments to reconcile profit after tax to net cash flows</u> | | |
| Interest income | (500,703) | (79,562) |
| Operating profit before working capital changes | (385,259) | (462,175) |
| Movements in working capital | | |
| Decrease/ (increase) in other assets | - | (30,000) |
| Increase/ (decrease) in trade payables | (91,200) | 65,600 |
| Cash used in operations | (476,459) | (426,575) |
| Income taxes paid (net of refunds) | (41,833) | (7,956) |
| Net cash flow used in operating activities | (518,292) | (434,531) |
| II Cash flows from investing activities | | |
| Investment in bank deposits and inter corporate deposits | (500,000) | (8,000,000) |
| Interest received | 536,067 | 7,956 |
| Net cash flow used/generated from investing activities | 36,067 | (7,992,044) |
| III Cash flows from financing activities | | |
| Net cash flow from financing activities | - | - |
| IV Net increase/(decrease) in cash and cash equivalents (I+II+III) | (482,225) | (8,426,575) |
| V Effect of exchange difference on cash and cash equivalents held in foreign currency | - | - |
| VI Cash and cash equivalents at the beginning of the year | 1,573,425 | 10,000,000 |
| VII Cash and cash equivalents at the end of the year (IV+V+VI) | 1,091,200 | 1,573,425 |
| Components of cash and cash equivalents as at the end of the period | | |
| Cash on hand | - | - |
| Balances with banks | 1,091,200 | 1,573,425 |
| Total cash and cash equivalents [refer note 3(a)] | 1,091,200 | 1,573,425 |

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

for and on behalf of the Board of Directors of Syngene USA Inc.

G Prakash

Partner

Membership number: 099696

Bengaluru

Date: 22 April 2025

Deepak Jain

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Date: 22 April 2025

Andrew Webster

Director

DIN: 10371709

Bengaluru

Date: 22 April 2025

Notes to the financial statements for the year ended 31 March 2025

(All amounts are in Indian Rupees, except share data and per share data, unless otherwise stated)

1. Company Overview

1.1 Reporting entity

Syngene Manufacturing Solutions Limited ("SMSL" or "the Company"), is engaged in providing manufacturing, formulating, processing all enzyme products from animal, microbial, plant sources, products from fish sources, vegetables and herb extracts, agricultural product and also to deal in medicinal goods, surgical instruments, cosmetics, patent medicines, soaps, hospital requisites, proprietary medicines, veterinary medicines and tinctures extracts. The Company is a public limited company incorporated on 26 August 2022 and domiciled in India and has its registered office in Bengaluru, Karnataka, India. The Company is a wholly owned subsidiary of Syngene International Limited.

1.2 Basis of preparation of financial statements

a) Statement of compliance

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 Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

These financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, 31 March 2025. These financial statements were authorized for issuance by the Company's Board of Directors on 22 April 2025.

Details of the Company's accounting policies are included in Note 2.

b) Functional and presentation currency

These financial statements are presented in Indian rupees (INR), which is also the functional currency of the Company.

c) Current/non-current distinction

An entity shall classify an asset as current when:

- (a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle
- (b) it holds the asset primarily for the purpose of trading
- (c) it expects to realise the asset within twelve months after the reporting period or
- (d) the asset is cash or a cash equivalent (as defined in Ind AS 7, Statement of Cash Flows) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets shall be classified as non-current.

An entity shall classify a liability as current when:

- (a) it expects to settle the liability in its normal operating cycle
- (b) it holds the liability primarily for the purpose of trading
- (c) the liability is due to be settled within twelve months after the reporting period or
- (d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities shall be classified as non-current.

The operating cycle of an entity is the time between the acquisition of assets for processing and their realisation in the form of cash or cash equivalents. Where the entity's normal operating cycle is not clearly identifiable, its duration is assumed to be 12 months.

d) Basis of measurement

These financial statements have been prepared on the historical cost basis (i.e., on accrual basis).

e) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during



Notes to the financial statements

for the year ended 31 March 2025

(All amounts are in Indian Rupees, except share data and per share data, unless otherwise stated)

the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Note 2(a) and 10 — Financial instruments.

2 Material accounting policies

a. Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated and are measured at the transaction price. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost.
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides

Notes to the financial statements for the year ended 31 March 2025

(All amounts are in Indian Rupees, except share data and per share data, unless otherwise stated)

to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss to retained earnings. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Financial assets: Subsequent measurement and gains and losses

| | |
|------------------------------------|--|
| Financial assets at FVTPL | These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in statement of profit and loss. |
| Financial assets at amortized cost | These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in statement of profit and loss. Any gain or loss on derecognition is recognized in statement of profit and loss. |
| Equity investments at FVOCI | These assets are subsequently measured at fair value. Dividends are recognized as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to statement of profit and loss. |

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of profit and loss.

iii. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

b. Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

c. Provisions (other than for employee benefits)

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

Notes to the financial statements for the year ended 31 March 2025

(All amounts are in Indian Rupees, except share data and per share data, unless otherwise stated)

3. Other financial assets

| | 31 March 2025 | 31 March 2024 |
|------------------------------|---------------|---------------|
| (a) Non-current | | |
| Security deposits | 30,000 | 30,000 |
| | 30,000 | 30,000 |
| (b) Current | | |
| Interest accrued but not due | 35,966 | 71,606 |
| | 35,966 | 71,606 |

4. Cash and bank balances

| | 31 March 2025 | 31 March 2024 |
|---|------------------|------------------|
| (a) Cash and cash equivalents | | |
| Balances with banks (on current accounts) | 1,091,200 | 1,573,425 |
| (b) Bank balances other than above | | |
| Deposits with maturity of less than 12 months | 8,500,000 | 8,000,000 |
| Total cash and bank balances | 9,591,200 | 9,573,425 |

5(a). Equity share capital

| | 31 March 2025 | 31 March 2024 |
|--|-------------------|-------------------|
| Authorised | | |
| 50,000,000 (31 March 2024: 50,000,000) equity shares of Rs 10 each | 500,000,000 | 500,000,000 |
| Issued, subscribed and fully paid-up | | |
| 10,00,000 (31 March 2024: 10,00,000) equity shares of Rs 10 each | 10,000,000 | 10,000,000 |
| | 10,000,000 | 10,000,000 |

(i) Reconciliation of the shares outstanding at the end of the reporting period

Equity shares

| | 31 March 2025 | | 31 March 2024 | |
|-------------------------------|------------------|-------------------|------------------|-------------------|
| | No. | Rs | No. | Rs |
| At the beginning of the year | 1,000,000 | 10,000,000 | 1,000,000 | 10,000,000 |
| Issued during the year | - | - | - | - |
| At the end of the year | 1,000,000 | 10,000,000 | 1,000,000 | 10,000,000 |

(ii) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(iii) Details of shares held by holding company and their subsidiaries

| | 31 March 2025 | | 31 March 2024 | |
|---|---------------|-----------|---------------|-----------|
| | No. | % holding | No. | % holding |
| Equity shares of Rs. 10 each fully paid | | | | |
| Syngene International Limited (holding company) | 1,000,000 | 100.00% | 1,000,000 | 100.00% |

As per records of the Company, including its register of shareholders/ members, the above shareholding represents beneficial ownerships of shares.

Notes to the financial statements for the year ended 31 March 2025

(All amounts are in Indian Rupees, except share data and per share data, unless otherwise stated)

(iv) Details of shareholders holding more than 5% shares in the Company

| | 31 March 2025 | | 31 March 2024 | |
|---|---------------|-----------|---------------|-----------|
| | No. | % holding | No. | % holding |
| Equity shares of Rs 10 each fully paid | | | | |
| Syngene International Limited (holding company) | 1,000,000 | 100.00% | 1,000,000 | 100.00% |

(v) Shares held by promoters

| Promoter Name | At 1 April 2024 | Change during the year | At 31 March 2025 | At 1 April 2023 | Change during the year | At 31 March 2024 |
|---------------------------------------|-----------------|------------------------|------------------|-----------------|------------------------|------------------|
| Syngene International Limited (100%) | 1,000,000 | - | 1,000,000 | 1,000,000 | - | 1,000,000 |
| | 1,000,000 | - | 1,000,000 | 1,000,000 | - | 1,000,000 |

The company has only one class of equity shares having a par value of 10 per share.

5(b). Other equity

Retained earnings

The amount represents surplus in statement of profit and loss not transferred to any reserve and can be distributed by the Company as dividends / issue of bonus shares to its equity shareholders.

6. Trade payables

| | 31 March 2025 | 31 March 2024 |
|--|---------------|---------------|
| Trade payables | | |
| Total outstanding dues of micro and small enterprises | - | - |
| Total outstanding dues of creditors other than micro and small enterprises | 274,400 | 365,600 |
| | 274,400 | 365,600 |

| | 31 March 2025 | 31 March 2024 |
|---|---------------|---------------|
| (a) Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development Act, 2006 ("MSMED Act") | | |
| (i) The principal amount and interest due thereon remaining unpaid to supplier as at the end of each accounting year: | | |
| - Principal amount due to micro and small enterprise | - | - |
| - Interest due on above | - | - |
| (ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| (iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006 | - | - |
| (iv) Interest accrued and remaining unpaid at the end of the year | - | - |
| (v) Interest remaining due and payable in succeeding years, in terms of Section 23 of the MSMED Act, 2006 | - | - |

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

Notes to the financial statements for the year ended 31 March 2025

(All amounts are in Indian Rupees, except share data and per share data, unless otherwise stated)

Aging schedule

| 31 March 2025 | Outstanding for following period from due date of payment | | |
|--|---|------------------|---------|
| | Unbilled | Less than 1 Year | Total |
| Total outstanding dues of micro and small enterprises | - | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 274,400 | - | 274,400 |
| | 274,400 | - | 274,400 |

| 31 March 2024 | Outstanding for following period from due date of payment | | |
|--|---|------------------|---------|
| | Unbilled | Less than 1 Year | Total |
| Total outstanding dues of micro and small enterprises | - | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | - | 365,600 | 365,600 |
| | - | 365,600 | 365,600 |

7. Revenue from operations

| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|--|-----------------------------|-----------------------------|
| Other operating revenues | | |
| Provisions no longer required written back | 141,300 | - |
| | 141,300 | - |

8. Other income

| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|--|-----------------------------|-----------------------------|
| Interest income on: | | |
| Deposits with banks and financial institutions | 500,427 | 79,562 |
| Interest on tax refund | 276 | - |
| | 500,703 | 79,562 |

9. Other expenses

| | Year ended 31 March 2025 | Year ended 31 March 2024 |
|---------------------------|-----------------------------|-----------------------------|
| Rent | 120,000 | 70,000 |
| Payments to auditors | 385,000 | 385,000 |
| Rates and taxes | 21,559 | 7,175 |
| | 526,559 | 462,175 |
| (a) Payments to auditors: | | |
| As an auditor: | | |
| Statutory audit | 385,000 | 385,000 |
| | 385,000 | 385,000 |

Notes to the financial statements for the year ended 31 March 2025

(All amounts are in Indian Rupees, except share data and per share data, unless otherwise stated)

10. Related party transactions

As per Ind AS 24, the disclosures pertaining to the related parties are given below:

List of Related parties :

| Particulars | Nature of relationship |
|--------------------------------------|-----------------------------------|
| A. Key management personnel | |
| Deepak Jain | Director (w.e.f 26 November 2024) |
| Sibaji Biswas | Director (till 30 November 2024) |
| Andrew Webster | Director (w.e.f 26 October 2023) |
| Alok Mehrotra | Director (w.e.f 31 January 2024) |
| B. Holding company | |
| Syngene International Limited | Holding Company |
| Biocon Limited | Ultimate Holding Company |
| C. Fellow subsidiaries | |
| Syngene USA Inc., | Fellow subsidiary |
| Syngene Scientific Solutions Limited | Fellow subsidiary |

The Company has the following related parties transactions:

| SI No | Name of the related party | Relationship | Description of transaction/ Balance | Transaction value | | Balance as at | |
|-------|-------------------------------|-----------------|-------------------------------------|----------------------------------|----------------------------------|------------------------|------------------------|
| | | | | for the year ended 31 March 2025 | for the year ended 31 March 2024 | 31 March 2025 | 31 March 2024 |
| | | | | Expenses / (Income) | Expenses / (Income) | Payable / (Receivable) | Payable / (Receivable) |
| (a) | Syngene International Limited | Holding Company | Rental Expense | 120,000 | 70,000 | 190,000 | 70,000 |
| (b) | Syngene International Limited | Holding Company | Security deposit | - | 30,000 | 30,000 | 30,000 |

Notes:

- The above disclosures include related parties as per IND-AS 24 on "Related Party Disclosures".
- None of the balances are secured.

11. Earnings per share (EPS)

| | 31 March 2025 | 31 March 2024 |
|--|---------------|---------------|
| Earnings | | |
| Profit/(Loss) for the year | 115,444 | (382,613) |
| Shares | | |
| Weighted average number of shares used for computing basic and diluted EPS | 1,000,000 | 1,000,000 |
| Earnings per share | | |
| Basic (in Rs.) | 0.12 | (0.38) |
| Diluted (in Rs.) | 0.12 | (0.38) |

12. Other Statutory Information :

- The Company does not have any Benami property or any proceeding is pending against the Company for holding any Benami property.
- The Company do not have any transactions with companies struck off.
- The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

Notes to the financial statements for the year ended 31 March 2025

(All amounts are in Indian Rupees, except share data and per share data, unless otherwise stated)

- (iv) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- (v) The Company has not advanced or loaned or invested any funds (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).
- (vi) The Company has not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company is not classified as wilful defaulter.
- (viii) The Company doesn't have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as search or survey.

13. Financial instruments : Fair value and risk management

| 31 March 2025 | FVTPL | Carrying amount FVTOCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
|--------------------------------------|-------|---------------------------|-------------------|------------------|---------|---------|---------|-------|
| Financial assets | | | | | | | | |
| Other financial assets (non-current) | - | - | 30,000 | 30,000 | - | - | - | - |
| Other financial assets (current) | - | - | 35,966 | 35,966 | - | - | - | - |
| Cash and cash equivalents | - | - | 1,091,200 | 1,091,200 | - | - | - | - |
| Bank balances other than above | - | - | 8,500,000 | 8,500,000 | - | - | - | - |
| | - | - | 9,657,166 | 9,657,166 | - | - | - | - |
| Financial liabilities | | | | | | | | |
| Lease liabilities (non-current) | - | - | - | - | - | - | - | - |
| Lease liabilities (current) | - | - | - | - | - | - | - | - |
| Trade payables | - | - | 274,400 | 274,400 | - | - | - | - |
| | - | - | 274,400 | 274,400 | - | - | - | - |
| 31 March 2024 | FVTPL | Carrying amount FVTOCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | | | | |
| Other financial assets (non-current) | - | - | 30,000 | 30,000 | - | - | - | - |
| Other financial assets (non-current) | - | - | 71,606 | 71,606 | - | - | - | - |
| Cash and cash equivalents | - | - | 1,573,425 | 1,573,425 | - | - | - | - |
| Bank balances other than above | - | - | 8,000,000 | 8,000,000 | - | - | - | - |
| | - | - | 9,675,031 | 9,675,031 | - | - | - | - |
| Financial liabilities | | | | | | | | |
| Trade payables | - | - | 365,600 | 365,600 | - | - | - | - |
| | - | - | 365,600 | 365,600 | - | - | - | - |

B. Financial risk management

The Company is not exposed to any financial risks : market risk and liquidity risk.

(i) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss.

The credit risk arises principally from its investment activities, i.e., deposits with banks and financial institutions.

Credit risk on cash and cash equivalent and other bank balances is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies

14. Capital Management

The key objective of the Company's capital Management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor and customer confidence and to ensure future development of its business. The Company focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the company.

Notes to the financial statements for the year ended 31 March 2025

(All amounts are in Indian Rupees, except share data and per share data, unless otherwise stated)

15. Financial ratios:

| Ratio | Numerator | Denominator | 31 March 2025 | 31 March 2024 | Variance % | Reason for variance |
|-------------------------------------|--|--|---------------|---------------|------------|---------------------|
| (a) Net profit ratio | Profit/ (loss) for the period | Total income | 18% | -481% | -104% | Refer Note (i) |
| (b) Return on equity ratio | Profit/ (loss) for the period | Average equity | 1.23% | -4% | -131% | Refer Note (ii) |
| (c) Debt equity ratio | Borrowings | Equity | NA | NA | NA | |
| (d) Debt service coverage ratio | Earnings before interest, taxes, depreciation and amortisation = Net profit before tax + Depreciation and amortisation + Finance costs | Total debt service in preceding twelve months = Finance costs + Repayment of short term borrowings + Repayment of long term borrowings | NA | NA | NA | |
| (e) Return on investment | Interest income on deposits + Net gain on mutual funds | Average Investment in deposits and mutual funds | 6% | 1% | 492% | Refer Note (iii) |
| (f) Return on capital employed | Earnings before interest and taxes = Net profit before tax + Finance costs | "Capital Employed = Tangible Net Worth (Total equity - Intangibles assets) + Total Borrowings - Deferred Tax Asset" | 1% | -4% | -130% | Refer Note (ii) |
| (g) Net capital turnover ratio | Revenue from operations | "Average Working capital = Current assets – Current liabilities" | NA | NA | NA | |
| (h) Current ratio | Current assets | Current liabilities | 35.08 | 26.38 | 33% | Refer Note (iv) |
| (i) Inventory turnover ratio | Cost of chemicals sold = Purchases of chemicals, reagents and consumable + Changes in inventories | Average inventory | NA | NA | NA | |
| (j) Trade receivable turnover ratio | Revenue from operations | Average trade receivable | NA | NA | NA | |
| (k) Trade payable turnover ratio | Total supply purchases = Purchases of chemicals, reagents and consumables + Changes in inventories + Other expenses | Average trade payables | 1.65 | 1.39 | 18% | Refer Note (iv) |

Explanation for variance more than 25% in the above ratios:

- The change in return on equity and return on capital employed is due to increase in accumulated losses as the company is yet to commence its operations.
- The change in return on investments is due to interest income from fixed deposits during the current year.
- The current ratio has decreased due to decrease in cash and cash equivalents.
- The change in trade payable turnover ratio is due to increase in other expenses during the current year.

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

for **and on behalf of the Board of Directors of Syngene USA Inc.**

G Prakash

Partner

Membership number: 099696

Deepak Jain

Director

DIN: 03488061

Andrew Webster

Director

DIN: 10371709

Bengaluru

Date: 22 April 2025

Bengaluru

Date: 22 April 2025

Bengaluru

Date: 22 April 2025

