

**Syngene USA Inc.  
Financial Statements  
FY 2021-22**

# B S R & Co. LLP

Chartered Accountants

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## Independent Auditors' Report

### To the Board of Directors of Syngene International Limited

### Report on the Audit of Special Purpose Financial Statements of Syngene USA Inc.

#### Opinion

We have audited the special purpose financial statements of Syngene USA Inc. ("the Company"), which comprise the special purpose balance sheet as at 31 March 2022, the special purpose statement of profit and loss (including other comprehensive income), special purpose statement of changes in equity and special purpose statement of cash flows for the year then ended, and notes to the special purpose financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the special purpose financial statements").

The special purpose financial statements have been prepared in accordance with the basis of the preparation as set out in Note 1.2(a) of the special purpose financial statements.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements 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 2022, and 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 Companies Act, 2013 ("Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Special Purpose 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 special purpose 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.

#### Emphasis of Matter - Basis of Accounting and Restriction on Use and Distribution

Without modifying our opinion, we draw attention to Note 1.2 to the special purpose financial statements, which describes the basis of preparation of the special purpose financial statements. The special purpose financial statements are prepared solely for the purpose of entity's internal use as mentioned in Note 1.2 of the special purpose financial

Principal Office:

statements. As a result, the special purpose financial statements may not be suitable for any other purpose. Our report is intended solely for the Company and should not be used by or distributed to any party other than the Company without our prior consent in writing.

Our opinion is not modified in respect of this matter.

## **Syngene International Limited**

### **Independent Auditors' Report (continued)**

#### **Management and Board of Directors' Responsibility for the Special Purpose Financial Statements**

The Company's Management and Board of Directors are responsible for the preparation of these special purpose financial statements in accordance with the basis of preparation as set out in Note 1.2(a) to the special purpose financial statements.

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 special purpose 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 Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditors' Responsibilities for the Audit of the Special Purpose Financial Statements**

Our objectives are to obtain reasonable assurance about whether the special purpose financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 special purpose financial statements.

We also conducted our audit in accordance with the terms of reference vide our engagement letter to carry out work on such special purpose financial statements of the Company for the purpose of providing information to the Management.

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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system with reference to financial statements and the operating effectiveness of such controls.

**Syngene International Limited**

**Independent Auditors' Report (continued)**

**Auditors' Responsibilities for the Audit of the Special Purpose Financial Statements (continued)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Special Purpose Financial Statements made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting 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 Auditors' 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 Auditors' 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 special purpose financial statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the special purpose financial statements.

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.

for **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration Number: 101248W/W-100022

**S Sethuraman**  
Partner  
Membership Number: 203491  
UDIN: 22203491AHWOKD2188

Place: Bengaluru  
Date: 27 April 2022

**SYNGENE USA INC.****SPECIAL PURPOSE BALANCE SHEET AS AT 31 MARCH 2022**

(All amounts are in US Dollars, except share data and per share data, unless otherwise stated)

	Note	31 March 2022	31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Income tax assets		24,745	-
Deferred tax assets		58,097	50,714
<b>Total non-current assets</b>		<b>82,841</b>	<b>50,714</b>
<b>Current assets</b>			
Financial assets			
Trade receivables	3	12,51,694	5,85,622
Cash and cash equivalents	4	2,46,498	6,05,106
<b>Total current assets</b>		<b>14,98,192</b>	<b>11,90,728</b>
<b>Total assets</b>		<b>15,81,033</b>	<b>12,41,443</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	5	50,000	50,000
Other equity	6	6,47,275	3,87,675
<b>Total equity</b>		<b>6,97,275</b>	<b>4,37,675</b>
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	7	8,41,758	6,60,880
Income tax liabilities		-	9,014
Other current liabilities	8	42,000	1,33,874
<b>Total current liabilities</b>		<b>8,83,758</b>	<b>8,03,768</b>
<b>Total equity and liabilities</b>		<b>15,81,033</b>	<b>12,41,443</b>

The accompanying notes are an integral part of the special purpose 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.

**S Sethuraman**

Partner

Membership number: 203491

**Jonathan Hunt**

Director

Bengaluru

27 April 2022

**Priyadarshini Mahapatra**

Director

Bengaluru

27 April 2022

**SYNGENE USA INC.**

**SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022**

(All amounts are in US Dollars, except share data and per share data, unless otherwise stated)

	Note	Year ended 31 March 2022	Year ended 31 March 2021
<b>Income</b>			
Revenue from operations	9	37,52,450	30,16,576
<b>Total income</b>		<u><b>37,52,450</b></u>	<u><b>30,16,576</b></u>
<b>Expenses</b>			
Employee benefits expense	10	27,76,347	25,30,222
Other expenses	11	6,05,245	2,44,438
<b>Total expenses</b>		<u><b>33,81,592</b></u>	<u><b>27,74,660</b></u>
<b>Profit before tax</b>		<b>3,70,858</b>	<b>2,41,916</b>
<b>Tax expense</b>			
	15		
Current tax		1,18,641	1,23,289
Deferred tax		(7,383)	(50,714)
<b>Total tax expense</b>		<u><b>1,11,258</b></u>	<u><b>72,575</b></u>
<b>Profit for the year</b>		<u><u><b>2,59,600</b></u></u>	<u><u><b>1,69,341</b></u></u>
<b>Earnings per equity share</b>			
	17		
Basic and diluted (in USD)		<b>519.20</b>	<b>338.68</b>
Weighted average no. of shares in calculating earnings per share		<b>500</b>	<b>500</b>

The accompanying notes are an integral part of the special purpose 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.

**S Sethuraman**

Partner

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**Jonathan Hunt**

Director

**Priyadarshini Mahapatra**

Director

Bengaluru

27 April 2022

Bengaluru

27 April 2022

**SYNGENE USA INC.**

**SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022**

**(All amounts are in US Dollars, except share data and per share data, unless otherwise stated)**

<b>A. Equity share capital</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Opening balance	50,000	50,000
Changes in equity share capital during the year	-	-
<b>Closing balance</b>	<b>50,000</b>	<b>50,000</b>

**B. Other equity (refer note 6)**

<b>Particulars</b>	<b>Retained earnings</b>	<b>Total other equity</b>
Balance as at 1 April 2020	2,18,334	2,18,334
Profit for the year	1,69,341	1,69,341
<b>Balance as at 31 March 2021</b>	<b>3,87,675</b>	<b>3,87,675</b>
Profit for the year	2,59,600	2,59,600
<b>Balance as at 31 March 2022</b>	<b>6,47,275</b>	<b>6,47,275</b>

The accompanying notes are an integral part of the special purpose 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.*

**S Sethuraman**

*Partner*

Membership number: 203491

**Jonathan Hunt**

*Director*

Bengaluru

27 April 2022

**Priyadarshini Mahapatra**

*Director*

Bengaluru

27 April 2022



## SYNGENE USA INC.

## SPECIAL PURPOSE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts are in US Dollars, except share data and per share data, unless otherwise stated)

	Year ended 31 March 2022	Year ended 31 March 2021
<b>I Cash flows from operating activities</b>		
Profit for the year	2,59,600	1,69,341
<u>Adjustment to reconcile profit before tax to net cash flows</u>		
Tax expense	1,11,258	72,575
<b>Operating profit before working capital changes</b>	<b>3,70,858</b>	<b>2,41,916</b>
<b>Movements in working capital</b>		
Decrease/(increase) in trade receivables	(6,66,071)	2,11,033
Decrease/(increase) in other financial assets	-	(3,58,083)
(Decrease)/increase in trade payables and other liabilities	89,004	4,47,246
<b>Cash generated from operations</b>	<b>-2,06,209</b>	<b>5,42,112</b>
Income taxes paid	(1,52,400)	-1,17,666
<b>Net cash flow generated from / (used in) operating activities</b>	<b>-3,58,609</b>	<b>4,24,446</b>
<b>II Net increase / (decrease) in cash and cash equivalents</b>	<b>-3,58,609</b>	<b>4,24,446</b>
<b>III Cash and cash equivalents at the beginning of the year</b>	<b>6,05,107</b>	<b>1,80,661</b>
<b>IV Cash and cash equivalents at the end of the year (II+ III)</b>	<b>2,46,498</b>	<b>6,05,107</b>
<b>Components of cash and cash equivalents as at the end of the year</b>		
Balances with banks - On current accounts	2,46,498	6,05,107
<b>Total cash and cash equivalents [refer note 4]</b>	<b>2,46,498</b>	<b>6,05,107</b>

The accompanying notes are an integral part of the special purpose 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.

**S Sethuraman**

Partner

Membership number: 203491

**Jonathan Hunt**

Director

Bengaluru

27 April 2022

**Priyadarshini Mahapatra**

Director

Bengaluru

27 April 2022

**SYNGENE USA INC.**  
**NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**  
**(All amounts are in US Dollars, except share data and per share data, unless otherwise stated)**

31 March 2022      31 March 2021

**3. Trade receivables**

Unsecured, considered good\*

12,51,693	5,85,622
<b>12,51,693</b>	<b>5,85,622</b>

\*Includes receivables from related party (refer note 12)

**Aging schedule**

31 March 2022	Outstanding for following periods from due date of payment					Total
	Unbilled	Not due	Less than 6 Months	6 months – 1 year	1-2 years	
Undisputed trade receivables - considered good	11,32,622	-	1,19,071	-	-	12,51,693
	<b>11,32,622</b>	<b>-</b>	<b>1,19,071</b>	<b>-</b>	<b>-</b>	<b>12,51,693</b>

31 March 2021	Outstanding for following periods from due date of payment					Total
	Unbilled	Not due	Less than 6 Months	6 months – 1 year	1-2 years	
Undisputed trade receivables - considered good	5,57,232	-	28,390	-	-	5,85,622
	<b>5,57,232</b>	<b>-</b>	<b>28,390</b>	<b>-</b>	<b>-</b>	<b>5,85,622</b>

All trade receivables are 'current'. The Company's exposure to credit risks related to trade receivables are disclosed in note 13.

**4. Cash and cash equivalents**

Balances with banks:

On current accounts

2,46,498	6,05,107
<b>2,46,498</b>	<b>6,05,107</b>

**5. Equity share capital**

**Authorised**

5,000 (31 March 2021: 5,000) equity shares of USD 100 each (31 March 2021: USD 100 each)

5,00,000	5,00,000
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**Issued, subscribed and fully paid-up**

500 (31 March 2021: 500) equity shares of USD 100 each (31 March 2021: USD 100 each)

50,000	50,000
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**(i) Reconciliation of the shares outstanding at the end of the reporting year**

Equity shares	31 March 2022		31 March 2021	
	No.	USD	No.	USD
At the beginning of the year	500	50,000	500	50,000
Issued during the year	-	-	-	-
At the end of the year	<b>500</b>	<b>50,000</b>	<b>500</b>	<b>50,000</b>

**(ii) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having a par value of USD 100 per share. Each holder of equity shares is entitled to one vote per share.

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

Equity shares of USD 100 each fully paid	31 March 2022		31 March 2021	
	No.	% holding	No.	% holding
Syngene International Limited, the holding company	500	100%	500	100%

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

**6. Other equity**

**Retained earnings**

The amount that can be distributed by the Company as dividends to its equity shareholders.

31 March 2022      31 March 2021

**7. Trade payables**

Trade payables

8,41,758	6,60,880
<b>8,41,758</b>	<b>6,60,880</b>

All trade payables are 'current'. The Company's exposure to liquidity risks related to trade payables is disclosed in note no 13.

**Aging schedule**

31 March 2022	Outstanding for following periods from due date of payment					Total
	Unbilled	Not due	Less than 6 Months	6 months – 1 year	1-2 years	
Trade payables	-	-	8,41,758	-	-	8,41,758
	<b>-</b>	<b>-</b>	<b>8,41,758</b>	<b>-</b>	<b>-</b>	<b>8,41,758</b>

31 March 2021	Outstanding for following periods from due date of payment					Total
	Unbilled	Not due	Less than 6 Months	6 months – 1 year	1-2 years	
Trade payables	-	-	6,60,880	-	-	6,60,880
	<b>-</b>	<b>-</b>	<b>6,60,880</b>	<b>-</b>	<b>-</b>	<b>6,60,880</b>

**8. Other current liabilities**

Statutory dues

42,000	1,33,874
<b>42,000</b>	<b>1,33,874</b>

SYNGENE USA INC.

NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022  
(All amounts are in US Dollars, except share data and per share data, unless otherwise stated)

	Year ended 31 March 2022	Year ended 31 March 2021
<b>9. Revenue from operations</b>		
Sale of services	37,52,450	30,16,576
	<b>37,52,450</b>	<b>30,16,576</b>

**9.1 Disaggregated revenue information**

Set out below is the disaggregation of revenue:

**Revenues from Sale of services by geography**

India	33,79,729	23,36,553
United States of America	3,72,721	6,80,023
	<b>37,52,450</b>	<b>30,16,576</b>

Geographical revenue is allocated based on the location of the customers.

**9.2 Contract balances**

Trade receivables [refer note (i) below]	12,51,693	5,85,622
Contract liabilities [refer note (ii) below]	-	-

Notes:

(i) Trade receivables are non-interest bearing.

(ii) The Company does not have contract liabilities as at 31 March 2022 and 31 March 2021.

**9.3 Performance obligation:**

In relation to information about the Company's performance obligations in contracts with customers refer note 2(c).

**10. Employee benefits expense**

Salaries, wages and bonus	25,32,440	23,03,434
Share based compensation expense	54,793	1,38,862
Staff welfare expenses	1,89,114	87,926
	<b>27,76,347</b>	<b>25,30,222</b>

**11. Other expenses**

Communication expenses	5,203	11,577
Travelling and conveyance	33,066	35,842
Professional charges	5,54,940	1,39,515
Sales promotion expenses	1,480	50,010
Rates and taxes	185	3,651
Miscellaneous expenses	10,371	3,843
	<b>6,05,245</b>	<b>2,44,438</b>

## SYNGENE USA INC.

## NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts are in US Dollars, except share data and per share data, unless otherwise stated)

**12. Related party transactions**

Related parties where control exists and related parties with whom transactions have taken place during the year are listed below :

SI No	Name of the related party	Relationship	Description of transaction/ Balance	Transaction value		Balance as at	
				for the year ended	for the year ended	31 March 2022	31 March 2021
				31 March 2022 Expenses / (Income)	31 March 2021 Expenses / (Income)	Payable / (Receivable)	Payable / (Receivable)
(a)	Syngene International Limited	Holding Company	Sale of services	(33,79,729)	(23,36,553)	-	-
			Reimbursement of expense	54,793	1,38,862	-	-
			Trade and other receivables	-	-	(11,32,622)	(4,29,582)
			Trade and other payables	-	-	1,93,655	1,38,862

## Notes:

(i) The Company has entered into an arrangement with Syngene International Limited, India to provide marketing and business development support services in United States of America and other Global markets .

(ii) The above disclosures include related parties as per IND-AS 24 on "Related Party Disclosures".

(iii) All transactions with these related parties are priced on an arm's length basis and none of the balances are secured.

**SYNGENE USA INC.**  
**NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**  
**(All amounts are in US Dollars, except share data and per share data, unless otherwise stated )**

**13. Financial instruments : Fair value and risk management**

**A. Accounting classification and fair values**

31 March 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Trade receivables	-	-	12,51,693	12,51,693	-	-	-	-
Cash and cash equivalents	-	-	2,46,498	2,46,498	-	-	-	-
	-	-	<b>14,98,191</b>	<b>14,98,191</b>	-	-	-	-
<b>Financial liabilities</b>								
Trade payables	-	-	8,41,758	8,41,758	-	-	-	-
	-	-	<b>8,41,758</b>	<b>8,41,758</b>	-	-	-	-
<b>31 March 2021</b>								
31 March 2021	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Trade receivables	-	-	5,85,622	5,85,622	-	-	-	-
Cash and cash equivalents	-	-	6,05,107	6,05,107	-	-	-	-
	-	-	<b>11,90,729</b>	<b>11,90,729</b>	-	-	-	-
<b>Financial liabilities</b>								
Trade payables	-	-	6,60,880	6,60,880	-	-	-	-
	-	-	<b>6,60,880</b>	<b>6,60,880</b>	-	-	-	-

**B. Financial risk management**

The Company's activities expose it to a variety of financial risks : credit risk, market risk and liquidity risk.

**(i) Risk management framework**

The Company's Board of directors has overall responsibility for the establishment and oversight of the company's risk management framework.

**(ii) 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 operating activities (primarily trade receivables & unbilled revenue)

The Company has established a credit mechanism under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, where available, and other publicly available financial information. Outstanding customer receivables are regularly monitored.

**(iii) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company believes that the working capital is sufficient to meet its requirements. Accordingly, no liquidity risk is perceived.

The table below details the company's remaining contractual maturity for its financial liabilities as of 31 March 2022 :

Particulars	Less than 1 year	1 - 5 years	Total
Trade payables	8,41,758	-	8,41,758
<b>Total</b>	<b>8,41,758</b>	<b>-</b>	<b>8,41,758</b>

The table below details the company's remaining contractual maturity for its financial liabilities as of 31 March 2021 :

Particulars	Less than 1 year	1 - 5 years	Total
Trade payables	6,60,880	-	6,60,880
<b>Total</b>	<b>6,60,880</b>	<b>-</b>	<b>6,60,880</b>

**(iv) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates, interest rates and equity prices.

The Company is not exposed to market risk.

**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.

## SYNGENE USA INC.

## NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(All amounts are in US Dollars, except share data and per share data, unless otherwise stated )

## 15. Tax expense

	Year ended 31 March 2022	Year ended 31 March 2021
<b>(a) Amount recognised in Statement of profit and loss</b>		
Current tax	1,18,641	1,23,289
Deferred tax	-7,383	-50,714
<b>Tax expense for the year</b>	<b>1,11,258</b>	<b>72,575</b>
<b>(b) Reconciliation of effective tax rate</b>		
Profit before tax	3,70,858	2,41,916
Tax at statutory income tax rate 30% (31 March 2020 : 34%)	1,11,258	72,575
<b>Income tax expense</b>	<b>1,11,258</b>	<b>72,575</b>

**(c) Recognised deferred tax assets and liabilities**

The following is the movement of deferred tax assets / liabilities presented in the balance sheet

For the year ended 31 March 2022	Opening balance	Recognised in profit or loss	Recognised in OCI	Recognised in equity	Closing balance
<b>Deferred tax asset</b>					
Timing difference that will reverse	50,714	7,383	-	-	58,097
	<b>50,714</b>	<b>7,383</b>	-	-	<b>58,097</b>
<b>Deferred tax asset</b>	<b>50,714</b>	<b>7,383</b>	-	-	<b>58,097</b>
<b>For the year ended 31 March 2021</b>					
<b>Deferred tax asset</b>					
Timing difference that will reverse	-	50,714	-	-	50,714
	-	<b>50,714</b>	-	-	<b>50,714</b>
<b>Deferred tax asset</b>	-	<b>50,714</b>	-	-	<b>50,714</b>

**SYNGENE USA INC.****NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022****(All amounts are in US Dollars, except share data and per share data, unless otherwise stated )****16. Segmental Information****Operating segments**

The Company is engaged in a single operating segment of providing marketing and business development services. Accordingly, there are no additional disclosures to be provided Ind AS 108 'Operating Segments' other than those already provided in the special purpose financial statements.

**Geographical information**

The geographical information analyses the Company's revenues by the Company's country of domicile (i.e. USA) and other countries. In presenting the geographical information, revenue has been based on the geographic location of the customers. There are no non-current assets of the Company excluding deferred tax assets as at 31 March 2022.

	<b>Year ended 31 March 2022</b>	<b>Year ended 31 March 2021</b>
<b>Marketing and business development services</b>		
India	33,79,729	23,36,553
United States of America	3,72,721	6,80,023
<b>Total</b>	<u>37,52,450</u>	<u>30,16,576</u>
<b>17. Earnings per share (EPS)</b>		
	<b>31 March 2022</b>	<b>31 March 2021</b>
<b>Earnings</b>		
Profit for the year	2,59,600	1,69,341
<b>Shares</b>		
Weighted average number of shares used for computing basic and diluted EPS	500	500
<b>Earnings per share - Annualised</b>		
Basic (in USD)	519.20	338.68
Diluted (in USD)	519.20	338.68

**18. Prior year's comparatives**

Previous year's figures have been regrouped / reclassified, where necessary, to conform to current year's classification.

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.**

**S Sethuraman**

Partner

Membership number: 203491

Bengaluru

27 April 2022

**Jonathan Hunt**

Director

Bengaluru

27 April 2022

**Priyadarshini Mahapatra**

Director