

# Syngene

Ref: Syn/CS/SE/BM/2021-22/Jan/05

**Syngene International Limited**

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[www.syngeneintl.com](http://www.syngeneintl.com)

January 19, 2022

To, The Manager, BSE Limited Corporate Relationship Department Dalal Street, Mumbai – 400 001 <b>Scrip Code: 539268</b>	To, The Manager, National Stock Exchange of India Limited Corporate Communication Department Bandra (EAST), Mumbai – 400 051 <b>Scrip Symbol: SYNGENE</b>
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## **Sub: Outcome of the Board Meeting**

Dear Sir/Madam,

Pursuant to Regulation 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, we wish to inform you that the Board of Directors at its meeting held today, has considered and approved the following:

### **Financial Results:**

- Un-audited financial results (consolidated and standalone) as per Indian Accounting Standards (Ind-AS) for the quarter and nine months ended December 31, 2021. A copy of the un-audited financial results along with the Limited Review Reports is enclosed herewith.

The above information will also be available on the website of the Company at [www.syngeneintl.com](http://www.syngeneintl.com).

The Board Meeting commenced at 17:00 and concluded at 20:36.

Kindly take the above information on record and acknowledge.

Thanking You

Yours faithfully,

**For SYNGENE INTERNATIONAL LIMITED**

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Priyadarshini Mahapatra  
**Company Secretary and Compliance Officer**

### **Enclosed:**

- Financial results (consolidated and standalone).
- Limited Review Reports (consolidated and standalone)

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2021							
(Rs. in million, except per share data)							
Sl. No.	Particulars	3 months ended 31 December 2021	Preceding 3 months ended 30 September 2021	Corresponding 3 months ended in the previous year 31 December 2020	Year to date figures for current period ended 31 December 2021	Year to date figures for previous period ended 31 December 2020	Previous year ended 31 March 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	a) Revenue from operations	6,395	6,095	5,841	18,427	15,213	21,794
	b) Other Income	129	129	171	381	462	646
	<b>Total Income</b>	<b>6,524</b>	<b>6,224</b>	<b>6,012</b>	<b>18,808</b>	<b>15,675</b>	<b>22,440</b>
2	<b>Expenses</b>						
	a) Cost of chemicals, reagents and consumables consumed	1,959	1,836	1,634	5,859	3,874	5,517
	b) Changes in inventories of finished goods and work-in-progress	(238)	(161)	(157)	(517)	(224)	(252)
	c) Employee benefits expense	1,827	1,794	1,715	5,300	4,642	6,415
	d) Finance costs	94	12	71	185	211	277
	e) Depreciation and amortisation expense	785	762	697	2,294	2,045	2,745
	f) Other expenses	1,020	959	982	2,801	2,497	3,585
	g) Foreign exchange fluctuation (gain)/loss, net	(199)	(104)	(89)	(457)	(124)	(171)
	<b>Total expenses</b>	<b>5,248</b>	<b>5,098</b>	<b>4,853</b>	<b>15,465</b>	<b>12,921</b>	<b>18,116</b>
3	<b>Profit before tax and exceptional items (1-2)</b>	<b>1,276</b>	<b>1,126</b>	<b>1,159</b>	<b>3,343</b>	<b>2,754</b>	<b>4,324</b>
4	Exceptional items [refer note 3 and 4]	-	307	-	307	-	(350)
5	<b>Profit before tax (3-4)</b>	<b>1,276</b>	<b>819</b>	<b>1,159</b>	<b>3,036</b>	<b>2,754</b>	<b>4,674</b>
6	Tax expense# [refer note 3]	242	154	141	568	322	637
7	<b>Profit for the period / year (5-6)</b>	<b>1,034</b>	<b>665</b>	<b>1,018</b>	<b>2,468</b>	<b>2,432</b>	<b>4,037</b>
8	<b>Other comprehensive income</b>						
	(A) (i) Items that will not be reclassified to profit or loss	(3)	(4)	6	(11)	18	(30)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1	1	(3)	3	(5)	5
	(B) (i) Items that will be reclassified to profit or loss	257	453	467	533	1,974	2,375
	(ii) Income tax relating to items that will be reclassified to profit or loss	(72)	(134)	(71)	(180)	(385)	(444)
	<b>Other comprehensive income for the period / year, net of taxes</b>	<b>183</b>	<b>316</b>	<b>399</b>	<b>345</b>	<b>1,602</b>	<b>1,906</b>
9	<b>Total comprehensive income for the period / year (7+8)</b>	<b>1,217</b>	<b>981</b>	<b>1,417</b>	<b>2,813</b>	<b>4,034</b>	<b>5,943</b>
10	Paid-up equity share capital (Face value of Rs.10 each) [refer note 6]	4,008	4,008	4,000	4,008	4,000	4,000
11	Reserves excluding revaluation reserves as per balance sheet i.e. 'Other Equity'						24,183
12	<b>Earnings per share (of Rs.10 each)</b>	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	a) Basic	2.55	1.64	2.56	6.09	6.11	10.15
	b) Diluted	2.54	1.63	2.54	6.05	6.08	10.08
	# Includes credit for reversal of tax provision for earlier years amounting to Rs. 32 million for the quarter ended 31 December 2020 and Rs. 105 million for the nine months ended 31 December 2020 and the year ended 31 March 2021.						
	See accompanying notes to the financial results						

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED AND NINE MONTHS ENDED 31 DECEMBER 2021

(Rs. in million, except per share data)

Sl. No.	Particulars	3 months ended	Preceding	Corresponding 3	Year to date figures	Year to date figures	Previous year ended
		31 December 2021	3 months ended 30 September 2021	months ended in the previous year 31 December 2020	for current period ended 31 December 2021	for previous period ended 31 December 2020	31 March 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	a) Revenue from operations	6,414	6,102	5,845	18,461	15,257	21,843
	b) Other Income	129	129	171	381	462	646
	<b>Total Income</b>	<b>6,543</b>	<b>6,231</b>	<b>6,016</b>	<b>18,842</b>	<b>15,719</b>	<b>22,489</b>
2	<b>Expenses</b>						
	a) Cost of chemicals, reagents and consumables consumed	1,959	1,836	1,634	5,859	3,874	5,517
	b) Changes in inventories of finished goods and work-in-progress	(238)	(161)	(157)	(517)	(224)	(252)
	c) Employee benefits expense	1,888	1,846	1,760	5,445	4,776	6,602
	d) Finance costs	94	12	71	185	211	277
	e) Depreciation and amortisation expense	785	762	697	2,294	2,045	2,745
	f) Other expenses	970	911	935	2,673	2,391	3,429
	g) Foreign exchange fluctuation (gain)/loss, net	(199)	(104)	(89)	(457)	(124)	(171)
	<b>Total expenses</b>	<b>5,259</b>	<b>5,102</b>	<b>4,851</b>	<b>15,482</b>	<b>12,949</b>	<b>18,147</b>
3	<b>Profit before tax and exceptional items (1-2)</b>	<b>1,284</b>	<b>1,129</b>	<b>1,165</b>	<b>3,360</b>	<b>2,770</b>	<b>4,342</b>
4	Exceptional items [refer note 3 and 4]	-	307	-	307	-	(350)
5	<b>Profit before tax (3-4)</b>	<b>1,284</b>	<b>822</b>	<b>1,165</b>	<b>3,053</b>	<b>2,770</b>	<b>4,692</b>
6	Tax expense# [refer note 3]	244	155	143	573	327	643
7	<b>Profit for the period / year (5-6)</b>	<b>1,040</b>	<b>667</b>	<b>1,022</b>	<b>2,480</b>	<b>2,443</b>	<b>4,049</b>
8	<b>Other comprehensive income</b>						
	(A) (i) Items that will not be reclassified to profit or loss	(3)	(4)	6	(11)	18	(30)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1	1	(3)	3	(5)	5
	(B) (i) Items that will be reclassified to profit or loss	257	453	467	533	1,974	2,375
	(ii) Income tax relating to items that will be reclassified to profit or loss	(72)	(134)	(71)	(180)	(385)	(444)
	<b>Other comprehensive income for the period / year, net of taxes</b>	<b>183</b>	<b>316</b>	<b>399</b>	<b>345</b>	<b>1,602</b>	<b>1,906</b>
9	<b>Total comprehensive income for the period / year (7+8)</b>	<b>1,223</b>	<b>983</b>	<b>1,421</b>	<b>2,825</b>	<b>4,045</b>	<b>5,955</b>
10	Paid-up equity share capital (Face value of Rs.10 each) [refer note 6]	4,008	4,008	4,000	4,008	4,000	4,000
11	Reserves excluding revaluation reserves as per balance sheet i.e. 'Other Equity'						24,214
12	<b>Earnings per share (of Rs.10 each)</b>	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	a) Basic	2.57	1.64	2.57	6.12	6.14	10.18
	b) Diluted	2.55	1.63	2.55	6.08	6.10	10.11
	# Includes credit for reversal of tax provision for earlier years amounting to Rs. 32 million for the quarter ended 31 December 2020 and Rs. 105 million for the nine months ended 31 December 2020 and the year ended 31 March 2021.						
	See accompanying notes to the financial results						

## SYNGENE INTERNATIONAL LIMITED

### Notes :

- 1 The statement of unaudited standalone and consolidated financial results ("the Statements") of Syngene International Limited ('the Company') for the quarter and nine months ended 31 December 2021 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on 18 January 2022 and 19 January 2022 respectively. The above Statements have been subjected to limited review by the statutory auditor of the Company. The reports of the statutory auditor are unqualified. The Statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The consolidated financial results include the financial results of the Company - Syngene International Limited and the financial result of the wholly owned subsidiary Syngene USA Inc. The Company and the Subsidiary are collectively referred to as 'the Group'. In addition to the above, the standalone and consolidated financial results also include the financial results in respect of Syngene Employees Welfare Trust.
- 3 Pursuant to a fire incident on 12 December 2016, certain fixed assets, inventory and other contents in one of the buildings were damaged. The Company lodged an estimate of loss with the insurance company and the survey is currently ongoing. The Company has recorded a loss of Rs. 1,057 million arising from such incident and also recognised a minimum insurance claim receivable for equivalent amounts in the respective periods till 31 March 2021. The Company has received disbursement approvals of Rs. 2,120 million from the insurance company against the loss till 31 March 2021. The aforementioned receivable and the disbursement approvals from the insurance claim has been presented on a net basis as Rs. 350 million under Exceptional items in the financial results for year ended 31 March 2021. Consequential tax of Rs. 122 million is included within tax expense in standalone and consolidated financial results for the year ended 31 March 2021 .

As at 31 December 2021, the Company has receivable of Rs. Nil (31 March 2021: Rs 105) from the insurance company against the approved disbursements.

- 4 The Ministry of Commerce and Industry, Government of India issued a Gazette notification number 29/2015-2020 dated 23 September 2021 on Service Exports from India Scheme (SEIS) for services rendered in financial year 2019 - 2020 with the total entitlement capped at Rs. 50 million per exporter for the period. The Company during the quarter ended 30 September 2021 had reversed the SEIS claim receivables of Rs. 307 million for the financial year 2019-2020 and the same has been presented under Exceptional items in the financial results for the nine months ended 31 December 2021.
- 5 The Group operates in a single segment of providing Contract Research and Manufacturing Services.
- 6 In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. The Group has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption.

The Group has considered internal and external information while finalizing various estimates in relation to its financial statement captions upto the date of approval of the Statements by the Board of Directors. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID -19 situation evolves in India and globally. The Group will continue to closely monitor any material changes to future economic conditions.

- 7 On 27 April 2021, the Board of Directors of the Company have approved an allotment of 796,500 equity shares of Rs. 10/- (Rupees Ten each) of the Company to Syngene Employee Welfare Trust at face value pursuant to the shareholders' approval at the Annual General Meeting on 24 July 2019 to allot fresh equity shares upto 1.67% of the paid-up equity capital of the Company in tranches for the purpose of implementation of the Syngene International Limited - Restricted Stock Unit Long Term Incentive Plan FY 2020.
- 8 Prior period/ year figures have been reclassified wherever required to conform to the classification of the current period/ year.

For and on behalf of the Board of Directors of  
Syngene International Limited

KIRAN  
MAZUMDA  
R SHAW

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KIRAN MAZUMDAR  
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Kiran Mazumdar Shaw  
Chairperson

Place :- Bangalore

Date :- 19 January 2022

# B S R & Co. LLP

Chartered Accountants

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No.1, Harrington Road, Chetpet,  
Chennai – 600 031, India

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Fax: +91 44 4608 3199

## Limited Review Report on unaudited standalone financial results of Syngene International Limited for the three months ended 31 December 2021 and year-to-date standalone financial results for the period from 1 April 2021 to 31 December 2021. pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Syngene International Limited (“the Company”) for the quarter ended 31 December 2021 and year-to-date results for the period from 1 April 2021 to 31 December 2021 (“the Statement”).
2. This Statement, which is the responsibility of the Company’s management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

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

**SIVARAMAKRISHNAN**  
**AN SETHURAMAN**

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**S Sethuraman**  
*Partner*

Membership No.: 203491  
UDIN:22203491AAAAAE6827

Chennai  
19 January 2022

Registered Office:

# B S R & Co. LLP

Chartered Accountants

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## Limited Review Report on unaudited consolidated financial results of Syngene International Limited for the three months ended 31 December 2021 and year-to-date consolidated financial results for the period from 1 April 2021 to 31 December 2021 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

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

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Syngene International Limited (“the Parent”), and its subsidiary (the Parent and its subsidiary together referred to as “the Group”) for the quarter ended 31 December 2021 and year-to-date results for the period from 1 April 2021 to 31 December 2021 (“the Statement”), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘Listing Regulations’).
2. This Statement, which is the responsibility of the Parent’s management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

- i. Syngene International Limited
- ii. Syngene USA Inc.
- iii. Syngene Employees Welfare Trust

Registered Office:

**B S R & Co. LLP**

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

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

**SIVARAMAKRISHNAN**  
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**S Sethuraman**  
*Partner*

Chennai  
19 January 2022

Membership No.: 203491  
UDIN:22203491AAAAAD4181