

## Certificate on Key Performance Indicators

Date: December 05, 2024

To:

**Kotak Mahindra Capital Company Limited**

1<sup>st</sup> Floor, 27 BKC  
Plot No. C-27, 'G' Block  
Bandra Kurla Complex  
Bandra (East), Mumbai 400 051  
Maharashtra, India

**IIFL Capital Services Limited**

*(Formerly known as IIFL Securities Limited)*

24<sup>th</sup> Floor, One Lodha Place  
Senapati Bapat Marg  
Lower Parel (West), Mumbai 400 013  
Maharashtra, India

**Jefferies India Private Limited**

Level 16, Express Towers  
Nariman Point  
Mumbai 400 021  
Maharashtra, India

**Morgan Stanley India Company Private Limited**

18<sup>th</sup> Floor, Tower 2, One World Centre  
Plot 841, Jupiter Textile Mill Compound  
Senapati Bapat Marg, Lower Parel  
Mumbai 400 013  
Maharashtra, India

*(Kotak Mahindra Capital Company Limited, IIFL Capital Services Limited (Formerly known as IIFL Securities Limited), Jefferies India Private Limited and Morgan Stanley India Company Private Limited are collectively referred to as the "Book Running Lead Managers" or the "BRLMs")*

and

**The Board of Directors**

**Sai Life Sciences Limited**

Plot No. DS-7, IKP Knowledge Park  
Turkapally (V) Shameerpet Mandal  
Medchal-Malkajgiri, Rangareddy  
Hyderabad – 500 078  
Telangana, India

Dear Sir/Madam,

**Re: Proposed initial public offering of equity shares of face value of ₹1 each (the "Equity Shares") of Sai Life Sciences Limited (the "Company" and such offering, the "Offer")**

In relation to the Company, its subsidiaries and its affiliates, we Bashetty & Joshi, Chartered Accountants, are an independent firm of chartered accountants.

We have received a request from the Company to perform certain procedures and certify details of key financial and operation performance indicators ("KPI") of the Company and its subsidiaries (collectively the "Company Entities") and price per share of the Company based on the primary/ new issuances and secondary transactions and related details.

In this regard, we have examined the restated consolidated financial statements of the Company and its subsidiaries, as of and for the six month periods ended September 30, 2024 and September 30, 2023 and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, and the examination report thereon, prepared in accordance with the Indian Accounting Standard ("Ind AS"), the Guidance Note on Reports in Company's Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India and the Companies Act, 2013, as amended, and restated by the statutory auditors of the Company, in accordance with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations") (the "Restated Financial Statements") and (b) relevant records, correspondence with regulatory/statutory authority and registers of the Company, including but not limited to, minutes of the meetings of the board of directors of the Company and its subsidiaries, minutes of annual general meeting and extra-ordinary general meetings of the Company and its subsidiaries, documents, records maintained by the Company and its subsidiaries, information and explanations presented to us. We have also performed the procedures enumerated in **Annexure B** hereto with respect to the KPIs of the Company for the six month periods ended September 30, 2024 and September 30, 2023 and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 (the "Periods") and comparison with KPIs of listed peers of the Company (as identified by the management) for the six month periods ended September 30, 2024 and September 30, 2023 and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, as set forth in **Annexure A**.

In this regard, we confirm the following:

**I. For the purpose of the Offer price, floor price or price band, please note the following:**

**A The price per share of the Company based on the primary/ new issue of shares (equity/ convertible securities)**

There have been no primary/ new issue of Equity Shares or convertible securities, excluding shares issued under employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of this certificate, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuance") preceding the date of this certificate.

The procedures carried out for such verification are included under **Schedule 1**.

**B The price per share of the Company based on secondary sale/ acquisitions of shares (equity/ convertible securities)**

There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities ("Security(ies)"), where the Promoters, members of the promoter group, selling shareholders,

or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“**Secondary Transactions**”), preceding the date of this certificate.

The procedures carried out for such verification are included under **Schedule 1**.

- C** Since there are no such transactions to report under I(A) and I(B) above, the following are the details basis the last five primary and secondary transactions (secondary transactions where Promoters, Promoter Group, Selling Shareholders or Shareholder(s) having the right to nominate director(s) to the Board of the Company, are a party to the transaction), during the three years preceding the date of this certificate, irrespective of the size of transactions:

Primary transactions:

The details of last five primary transactions in the last three years preceding the date of this certificate are as follows:

Date of allotment	Name of allottee	No. of shares transacted	Face Value (₹)	Issue price per share (₹)	Nature of allotment	Nature of consideration	Total consideration (in ₹ million)
November 20, 2024	475,000 Equity Shares were allotted to Tuneer Ghosh, 275,000 Equity Shares were allotted to Vasanthamuruges, 25,000 Equity Shares were allotted to Damodharan M	775,000	1	28.40	Allotment pursuant to exercise of employee stock options under ESOP 2008	Cash	22.01
November 20, 2024	100,000 Equity Shares were allotted to Tuneer Ghosh, 100,000 Equity Shares were allotted to A Vasanthamuruges, 10,000 Equity Shares were allotted to Chopperla Srikrishna, 100,000 Equity Shares were allotted to Damodharan M, 25,000 Equity Shares were allotted to Sriram Gopalakrishnan, 25,000 Equity Shares were allotted to Rajesh Vinodrai Naik	360,000	1	127.30	Allotment pursuant to exercise of employee stock options under Management ESOP 2018	Cash	45.83
November 20, 2024	20,000 Equity Shares were allotted to Prabhu Gudelli,	60,000	1	188.90	Allotment pursuant to exercise of	Cash	11.33

Date of allotment	Name of allottee	No. of shares transacted	Face Value (₹)	Issue price per share (₹)	Nature of allotment	Nature of consideration	Total consideration (in ₹ million)
	20,000 Equity Shares were allotted to Krishna Prasad, 10,000 Equity Shares were allotted to JaleelSabAbkari Mahaboobi, 10,000 Equity Shares were allotted to Rahul Ramesh Nagawade				employee stock options under ESOP 2008		
November 17, 2024	235,000 Equity Shares were allotted to Sivaramkrishnan Chittor	235,000	1	28.40	Allotment pursuant to exercise of employee stock options under ESOP 2008	Cash	6.67
November 17, 2024	150,000 Equity Shares were allotted to Sivaramkrishnan Chittor	150,000	1	127.30	Allotment pursuant to exercise of employee stock options under Management ESOP 2018	Cash	19.10
November 17, 2024	30,000 Equity Shares were allotted to Venkata Suryanarayana Varma Dantuluri	30,000	1	188.90	Allotment pursuant to exercise of employee stock options under ESOP 2008	Cash	5.67

**Secondary acquisition:**

The details of last five secondary transactions where the Promoters, members of the Promoter Group, Selling Shareholders or shareholders with special rights, are a party to the transaction, in the last three years preceding the date of this certificate are as follows:

Date of transfer	Name of transferor	Name of transferee	No. of securities	Face Value (₹)	Nature of consideration	Total consideration (in ₹ million)	Price per security (₹)
December 27, 2022	Bharathi Srivari	Kanumuri Ranga Raju	140,000	1	Cash	9.80	70.00
December 26, 2022	Bharathi Srivari	Kanumuri Mytrei	60,000	1	Cash	4.20	70.00
April 4, 2024	Bharathi Srivari	Kanumuri Ranga Raju	25,000	1	Cash	2.50	100.00
April 4, 2024	Bharathi Srivari	Sai Quest Syn Private Limited	75,000	1	Cash	7.50	100.00

*Note: (i) The table above takes into account the impact of sub-division of the face value of equity shares from ₹10 each to equity shares of ₹1 each, pursuant to a resolution passed by the Board in their meeting held on June 10, 2024 and Shareholders in their extraordinary general meeting held on June 11, 2024. (ii) The table above excludes secondary transactions by way of gifts.*

**II. With reference to I(A), I(B) and I(C) above, Weighted average cost of acquisition, Floor Price and Cap Price:**

Please see below details of the weighted average cost of acquisition, based on the details set out under (I) – (A), (B) and (C) above, as compared to the floor price and cap price:

Past Transactions	Weighted average cost of acquisition (in ₹)	Floor Price (₹ [●]) *	Cap Price (₹ [●]) *
Primary Issuances	NA <sup>#</sup>	[●]	[●]
Secondary Transactions	NA <sup>#</sup>	[●]	[●]
Since there were no primary or secondary transactions of equity shares of the Company during the 18 months preceding the date of this certificate, where either issuance or acquisition/ sale is equal to or more than five per cent of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions where promoters / members of the promoter group or Selling Shareholders or shareholder(s) having the right to nominate director(s) on the Board, are a party to the transaction, during the last three years preceding the date of this certificate irrespective of the size of the transaction			
(a) Based on primary issuances undertaken during the three immediately preceding years	68.71	[●]	[●]
(b) Based on secondary transactions undertaken during the three immediately preceding years	80.00	[●]	[●]

\* To be updated at the Prospectus stage

<sup>#</sup>As there are no transactions to be reported under parts (A) and (B) above, computation of weighted average cost of acquisition is not required.

**III. Key financial and operational performance indicators:**

The details of the key financial and operational performance indicators are set out under **Annexure A**.

The procedures carried out for such verification and data provided for the KPIs are included under **Schedule 2**.

The procedures were performed to assist in evaluating the accuracy, validity and completeness of the KPIs of the Company.

On the basis of the procedures set forth in the Annexures, forming part of this certificate, we confirm that KPIs are accurate, valid and complete.

We confirm that the information in this certificate is true, fair, correct, accurate and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the “**Guidance Note**”) in accordance with the generally accepted auditing standards in India and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. These standards require that we plan and perform the examination to obtain reasonable assurance about the “Reporting Criteria”. The Guidance Note requires that we

comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We hereby confirm that while providing this certificate we have complied with the Code of Ethics and the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the Institute of Chartered Accountants of India.

This certificate is issued for the purpose of the Offer, and can be used, in full or part, for inclusion in the red herring prospectus, prospectus and any other material used in connection with the Offer (together, the “**Offer Documents**”) which may be filed by the Company with Securities and Exchange Board of India (“**SEBI**”), BSE Limited and National Stock Exchange of India Limited (collectively, the “**Stock Exchanges**”), Registrar of Companies, Telangana at Hyderabad (the “**RoC**”) and / or any other regulatory or statutory authority.

We hereby consent (i) to our name Bshetty & Joshi, Chartered Accountants and the aforementioned details being included in the Offer Documents; and (ii) to the submission of this certificate to any regulatory / statutory/ governmental authority, stock exchanges, any other authority as may be required and/or for any other litigation purposes and/or for the records to be maintained by the BRLMs in connection with the Offer and in accordance with applicable law. We also consent to the inclusion of this certificate as a part of ‘*Material Contracts and Documents for Inspection*’ in connection with the Offer, which will be available for public for inspection from the date of filing of the red herring prospectus until the Bid/Offer Closing Date.

We also give our consent to include this certificate as part of the section titled “*Material Contracts and Documents for Inspection*” in the Offer Documents which will be available to the public for inspection and on the website(s) of the Company.

This certificate may be relied on by the BRLMs, their affiliates and legal counsels in relation to the Offer and to assist the BRLMs in conducting and documenting their investigation and due diligence of the affairs of the Company in connection with the Offer. We hereby consent to this certificate being disclosed by the BRLMs, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We undertake to immediately communicate, in writing, any changes to the above information/confirmations, as and when: (i) made available to us; or (ii) we become aware of any such changes, to the BRLMs and the Company until the equity shares allotted in the Offer commence trading on the relevant stock exchanges. In the absence of any such communication from us, the Company, the BRLMs and the legal advisors appointed with respect to Offer can assume that there is no change to the information/confirmations forming part of this certificate and accordingly, such information should be considered to be true and correct.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

Yours Sincerely,

**For Bshetty & Joshi, Chartered Accountants.**

ICAI Firm Registration No: 013299S

Gourav Kumar Joshi  
Partner  
Membership No. 225311  
UDIN: 24225311BKGQDT1943

**CC:**

**Khaitan & Co**

10<sup>th</sup>, 13<sup>th</sup> & 14<sup>th</sup> Floors, Tower 1C  
One World Centre  
841, Senapati Bapat Marg  
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Maharashtra, India

**Cyril Amarchand Mangaldas**

3<sup>rd</sup> Floor, Prestige Falcon Tower  
19, Brunton Road, Off M. G. Road  
Bengaluru 560 025  
Karnataka, India

**Linklaters Singapore Pte. Ltd.**

One George Street #17-01  
Singapore 049145

## Annexure A

### Key financial and operational performance indicators (KPIs)

The KPIs disclosed herein below have been approved by a resolution of Audit Committee dated December 05, 2024, and the members of the Audit Committee have confirmed that the verified details of all KPIs pertaining to the Company which have been disclosed in the “Basis for Offer Price” section of the Red Herring Prospectus and as disclosed herein below. Further, the Audit Committee, pursuant to a resolution dated December 05, 2024, has confirmed that except as disclosed in the “Basis for Offer Price” section of the Red Herring Prospectus, there are no other KPIs that have been disclosed to investors at any point of time during the three years period prior to the date of filing of the Red Herring Prospectus.

#### *Explanation for the KPI metrics*

**The list of the KPIs along with brief explanation of the relevance of the KPI for the business operations of the Company are set forth below:**

S. No.	KPI	Explanation
1	Revenue from operations	This is a direct measure of how well the company is performing in terms of its core business activities.
2	Revenue Growth – year on year (“YoY”)	This is a direct measure of how well the company is performing in terms of its core business activities.
3	Material Margin	The difference between the revenue generated from the sale of goods and the cost of materials used to produce those goods.
4	Material Margin (%)	Material Margin expressed as a percentage of total revenue, indicating the efficiency of managing material costs relative to sales.
5	EBITDA	This measure is used to measure the operational profitability of the business and serves as a performance indicator for valuation.
6	EBITDA - year on year (“YoY”)	Similar to Revenue Growth, measures the change in EBITDA year-over-year.
7	EBITDA margin (%)	It indicates the percentage of revenue that translates into EBITDA.
8	Profit before tax (“PBT”)	Profit Before Tax is a company's earnings before taxes are deducted. It reflects operating profit after all expenses except for taxes are accounted for.
9	Profit after tax (“PAT”)	Investors focus on it as it acts as an indicator of future earnings potential and market value.
10	Profit after tax (“PAT”) – year on year (“YoY”)	Measures the change in Profit After Tax year-over-year.
11	PAT margin (%)	Profit After Tax expressed as a percentage of total revenue, indicating the percentage of revenue that translates into net profit.
12	Return on capital employed (“ROCE”)	Return on Capital Employed measures a company's profitability and the efficiency with which it utilizes its capital to generate profits.
13	Return on equity (“ROE”)	Return on Equity measures a company's profitability by revealing how much profit a company generates with the money shareholders have invested.
14	Net debt / equity (times)	This is a performance indicator as lenders and investors use this ratio to assess a company's creditworthiness and financial stability.
15	Net Debt/ EBITDA (times)	This is a performance indicator as lenders and



		investors use this ratio to assess a company's creditworthiness and financial stability.
16	Gross Fixed Asset Turnover (%)	As the gross fixed assets constitute a significant part of the overall balance sheet it is important to track how effectively the company uses its fixed assets to generate sales.
17	Number of Scientific Staff	It indicates the company's capacity for research and development (R&D) and innovation.
18	Net Working Capital Days	Given the nature of business there are huge working capital requirements therefore it is important metric driving operational excellence and financial health of the business.
19	Inventory Days	The average number of days it takes for a company to sell its inventory, indicating how quickly inventory is being turned into sales.

### **Description in the RHP**

The KPIs disclosed below have been used historically by the Company to understand and analyze the business performance, which in result, help it in analyzing the growth of various verticals in comparison to its listed peers, and other relevant and material KPIs of the business of the Company that have a bearing for arriving at the Basis for Offer Price have been disclosed below. The KPIs set forth above, have been approved by the Audit Committee pursuant to its resolution dated December 05, 2024.

Details of KPIs as at and for the six month periods ended September 30, 2024 and September 30, 2023 and the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022:

Serial No.	Key Performance Indicator	Units	Six months period ended September 30, 2024	Six months period ended September 30, 2023	Fiscal 2024	Fiscal 2023	Fiscal 2022
1	Revenue from Operations	₹ in million	6,752.85	6,423.41	14,651.78	12,171.39	8,695.93
2	Revenue Growth - YoY <sup>(1)</sup>	%	5.13%	-	20.38%	39.97%	-
3	Material Margin <sup>(2)</sup>	₹ in million	4,980.74	4,274.17	10,194.48	7,945.52	6,028.32
4	Material Margin <sup>(3)</sup>	%	73.76%	66.54%	69.58%	65.28%	69.32%
5	EBITDA <sup>(4)</sup>	₹ in million	1,395.04	718.57	3,001.15	1,822.33	1,310.63
6	EBITDA - YoY <sup>(5)</sup>	%	94.14%	-	64.69%	39.04%	-
7	EBITDA Margin <sup>(6)</sup>	%	20.66%	11.19%	20.48%	14.97%	15.07%
8	PBT	₹ in million	372.58	(197.59)	1,092.34	164.08	96.95
9	PAT	₹ in million	280.12	(129.24)	828.09	99.89	62.26
10	PAT - YoY <sup>(7)</sup>	%	NA	NA	729.00%	60.43%	-
11	PAT Margin <sup>(8)</sup>	%	4.15%	(2.01%)	5.65%	0.82%	0.72%
12	ROCE <sup>(9)</sup>	%	3.90%	1.23%	10.26%	5.13%	3.21%
13	ROE <sup>(10)</sup>	%	2.68%	(1.48%)	8.49%	1.12%	0.71%
14	Net Debt / Equity <sup>(11)</sup>	Times	0.73	0.82	0.75	0.80	0.84
15	Net Debt/ EBITDA <sup>(12)</sup>	Times	5.49	9.94	2.43	3.90	5.61
16	Gross Fixed Asset Turnover <sup>(13)</sup>	%	75.37%	81.64%	87.25%	85.81%	69.02%
17	Net Working Capital Days <sup>(14)</sup>	No. of days	136	113	122	140	204
18	Total number of scientific staff	Number	2,353	2,272	2,125	2,012	1,779
19	Inventory Days <sup>(15)</sup>	No. of days	100	113	93	115	139

#### **Notes:**

1. Year on year revenue growth is calculated as the current period revenue minus prior period revenue divided by prior period revenue.
2. Material Margin is calculated as Revenue minus Material Cost. Material Cost is calculated as cost of materials consumed plus changes in inventory of WIP.
3. Material Margin (%) is calculated as the absolute amount of material margin expressed as a percentage of total revenue from operations.
4. EBITDA is calculated as the aggregate of restated profit before tax, depreciation and amortization expense and finance costs, less other income (excluding forex gain), for the relevant period.
5. Year on year EBITDA growth is calculated as the current period EBITDA minus prior period EBITDA divided by prior period EBITDA.

6. EBITDA margin is calculated as EBITDA divided by total revenue from operations.
7. Year on year PAT growth is calculated as the current period PAT minus prior period PAT divided by prior period PAT.
8. PAT margin is calculated as the restated profit after tax divided by revenue from operations.
9. ROCE is calculated as EBIT divided by capital employed. EBIT is calculated as an aggregate of restated profit before tax and finance costs, for the relevant period. Capital employed is calculated as aggregate of total equity, total borrowings including lease liabilities.
10. ROE is calculated as profit for the period divided by total equity for the relevant period.
11. Net Debt is divided by total equity. Net Debt is calculated as an aggregate of total borrowings and total lease liabilities minus aggregate of cash and cash equivalents, other bank balances and current fixed deposits.
12. Net Debt is divided by EBITDA. Net Debt is calculated as an aggregate of total borrowings and total lease liabilities minus aggregate of cash and cash equivalents, other bank balances and current fixed deposits. EBITDA is calculated as the aggregate of restated profit before tax, depreciation and amortization expense and finance costs, less other income (excluding forex gain), for the relevant period.
13. Gross fixed asset turnover is calculated as revenue from operations divided by gross fixed assets. Figures for six months period ended September 30, 2024 and September 30, 2023 have been annualized.
14. Net working capital days is calculated as net working capital divided by revenue from operations. Net working capital is calculated as current assets (excluding cash and cash equivalents, other bank balances and current fixed deposits) minus current liability (excluding borrowings, lease liability and provision for gratuity and compensated absences).
15. Inventory Days is calculated by dividing average inventory by cost of goods sold and multiplying it by 365 days for the relevant financial year and 183 days for the six months period ended September 30, 2024 and September 30, 2023. Figures for six months period ended September 30, 2024 and September 30, 2023 have been annualized.

We confirm that the Company has not undertaken a material acquisition or disposition of assets / business for the periods that are covered by the KPIs and accordingly, no comparison of KPIs over time based on additions or dispositions to the business, have been provided.

#### Comparison of its KPIs with Listed Industry Peers:

##### Divi's Laboratories Limited (Consolidated)

Sr. No.	Particulars	Units	As of or for the				
			Six months period ended September 30, 2024	Six months period ended September 30, 2023	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
1	Total Revenue from Operations	₹ in million	44,560.00	36,870.00	78,450.00	77,675.00	89,598.30
2	Revenue growth – YoY	%	20.86%	NA	1.00%	(13.31)%	-
3	Material margin <sup>(1)</sup>	₹ in million	26,340.00	21,890.00	47,160.00	47,145.00	59,926.90
4	Material margin % <sup>(2)</sup>	%	59.11%	59.37%	60.11%	60.70%	66.88%
5	EBITDA <sup>(3)</sup>	₹ in million	13,670.00	9,970.00	22,350.00	24,980.00	39,225.20
6	EBITDA growth – YoY	%	37.11%	NA	(10.53)%	(36.32)%	-
7	EBITDA margin <sup>(4)</sup>	%	30.68%	27.04%	28.49%	32.16%	43.78%
8	Profit before tax (PBT)	₹ in million	13,260.00	9,610.00	21,630.00	23,690.00	36,835.00
9	Profit after tax (PAT)	₹ in million	9,400.00	7,040.00	16,000.00	18,240.00	29,604.50
10	Profit after tax (PAT) growth – YoY	%	33.52%	NA	(12.28)%	(38.39)%	-
11	Profit after tax margin	%	21.10%	19.09%	20.40%	23.48%	33.04%
12	Return on Capital Employed (ROCE) <sup>(5)</sup>	%	9.67%	7.59%	15.96%	18.56%	31.40%
13	Return on Equity <sup>(6)</sup>	%	7.12%	5.67%	11.79%	14.29%	25.24%
14	Net Debt/Equity <sup>(7)</sup>	Times	(0.26)	(0.28)	(0.29)	(0.33)	(0.24)
15	Net Debt/EBITDA	Times	(2.63)	(3.62)	(1.78)	(1.69)	(0.72)
16	Gross fixed asset turnover <sup>(8)</sup>	%	NA	NA	NA	122.04%	159.31%
17	Number of scientific staff	Number	NA	NA	NA	NA	NA
18	Net Working Capital Days <sup>(9)</sup>	No. of days	185	212	206	188	177
19	Inventory Days <sup>(10)</sup>	No. of days	318	365	361	348	306

Source:

All the information for listed industry peers mentioned above is on a consolidated basis and is extracted and derived from their financial statements as available on the website of the respective companies.

1. Material Margin is calculated as Revenue minus Material Cost. Material Cost is calculated as cost of materials consumed plus changes in inventory of WIP.
2. Material Margin (%) is calculated as the absolute amount of material margin expressed as a percentage of total revenue from operations.
3. EBITDA is calculated as aggregate of restated profit before tax, depreciation and amortization expense and finance costs,

less other income (excluding forex gain), for the relevant period.

4. EBITDA Margin (%) is calculated as EBITDA expressed as a percentage of total revenue from operations.
5. Return on capital employed is calculated as earnings before interest and tax divided by capital employed. Earnings before interest and tax is calculated as aggregate of restated profit before tax, finance costs, for the relevant period. Capital Employed is calculated as aggregate of total equity, total borrowings including lease liabilities.
6. Return on equity is calculated as profit after tax for the period divided by total equity for the relevant period.
7. Net Debt is calculated as aggregate of total borrowings and total lease liabilities minus aggregate of cash and cash equivalents, other bank balances and current fixed deposits.
8. Gross fixed asset turnover (%) is calculated as total revenue from operations divided by the sum of gross block of property, plant and equipment, intangible assets and right-of-use assets. Figures for six months period ended September 30, 2024 and September 30, 2023 have been annualized.
9. Net working capital days is calculated as net working capital divided by revenue from operations. Net working capital is calculated as current assets (excluding cash and cash equivalents, other bank balances and current fixed deposits) minus current liability (excluding borrowings, lease liability and provision for gratuity and compensated absences).
10. Inventory Days is calculated by dividing average inventory by cost of goods sold and multiplying it by 365 days for the relevant financial year and 183 days for the six months period ended September 30, 2024 and September 30, 2023. Figures for six months period ended September 30, 2024 and September 30, 2023 have been annualized.

### Suven Pharmaceuticals Limited (Consolidated)

Sr. No.	Particulars	Units	As of or for				
			Six months period ended September 30, 2024	Six months period ended September 30, 2023	financial year ended March 31, 2024	financial year ended March 31, 2023	financial year ended March 31, 2022
1	Total Revenue from Operations	₹ in million	4,884.10	5,786.04	10,513.54	13,403.29	13,202.22
2	Revenue growth – YoY	%	(15.59%)	NA	(21.56)%	1.52%	-
3	Material margin <sup>(1)</sup>	₹ in million	3,727.50	4,197.29	7,363.19	9,311.94	9,211.18
4	Material margin % <sup>(2)</sup>	%	76.32%	72.54%	70.04%	69.48%	69.77%
5	EBITDA <sup>(3)</sup>	₹ in million	1,881.40	2,701.27	4,139.13	5,933.35	6,369.58
6	EBITDA growth – YoY	%	(30.35%)	NA	(30.24)%	(6.85)%	-
7	EBITDA margin <sup>(4)</sup>	%	38.52%	46.69%	39.37%	44.27%	48.25%
8	Profit before tax (PBT)	₹ in million	1,825.90	2,693.51	4,056.72	5,597.30	6,675.90
9	Profit after tax (PAT)	₹ in million	1,427.50	2,001.54	3,002.81	4,112.90	4,538.05
10	Profit after tax (PAT) growth – YoY	%	(28.68%)	NA	(26.99)%	(9.37)%	-
11	Profit after tax margin	%	29.23%	34.59%	28.56%	30.69%	34.37%
12	Return on Capital Employed (ROCE) <sup>(5)</sup>	%	8.99%	13.64%	19.53%	31.30%	41.48%
13	Return on Equity <sup>(6)</sup>	%	7.20%	11.64%	14.64%	23.70%	29.72%
14	Net Debt/Equity <sup>(7)</sup>	Times	0.00	(0.01)	0.01	0.00	0.03
15	Net Debt/EBITDA	Times	(0.01)	(0.04)	0.04	0.00	0.08
16	Gross fixed asset turnover <sup>(8)</sup>	%	NA	NA	NA	163.64%	189.69%
17	Number of scientific staff	Number	NA	NA	NA	NA	NA
18	Net Working Capital Days <sup>(9)</sup>	No. of days	342	332	401	232	261
19	Inventory Days <sup>(10)</sup>	No. of days	353	336	315	266	222

Source:

All the information for listed industry peers mentioned above is on a consolidated basis and is extracted and derived from their financial statements as available on the website of the respective companies.

Calculation of gross value of right of use assets (ROU) for Suven Pharmaceuticals Limited, for the Financial Year 21-22 & 22-23 has been done by considering the opening balance of ROU assets on 2019-20 and then adjusting for additions and modifications till respective financial year.

1. Material Margin is calculated as Revenue minus Material Cost. Material Cost is calculated as cost of materials consumed plus changes in inventory of WIP.
2. Material Margin (%) is calculated as the absolute amount of material margin expressed as a percentage of total revenue from operations.
3. EBITDA is calculated as aggregate of restated profit before tax, depreciation and amortization expense and finance costs, less other income (excluding forex gain), for the relevant period.
4. EBITDA Margin (%) is calculated as EBITDA expressed as a percentage of total revenue from operations.
5. Return on capital employed is calculated as earnings before interest and tax divided by capital employed. Earnings before interest and tax is calculated as aggregate of restated profit before tax, finance costs, for the relevant period. Capital Employed is calculated as aggregate of total equity, total borrowings including lease liabilities.
6. Return on equity is calculated as profit after tax for the period divided by total equity for the relevant period.
7. Net Debt is calculated as aggregate of total borrowings and total lease liabilities minus aggregate of cash and cash

equivalents, other bank balances and current fixed deposits.

8. Gross fixed asset turnover (%) is calculated as total revenue from operations divided by the sum of gross block of property, plant and equipment, intangible assets and right-of-use assets. Figures for six months period ended September 30, 2024 and September 30, 2023 have been annualized.
9. Net working capital days is calculated as net working capital divided by revenue from operations. Net working capital is calculated as current assets (excluding cash and cash equivalents, other bank balances and current fixed deposits) minus current liability (excluding borrowings, lease liability and provision for gratuity and compensated absences).
10. Inventory Days is calculated by dividing average inventory by cost of goods sold and multiplying it by 365 days for the relevant financial year and 183 days for the six months period ended September 30, 2024 and September 30, 2023. Figures for six months period ended September 30, 2024 and September 30, 2023 have been annualized.

## Syngene International Limited (Consolidated)

Sr. No.	Particulars	Units	As of or for				
			Six months period ended September 30, 2024	Six months period ended September 30, 2023	the financial year ended March 31, 2024	the financial year ended March 31, 2023	the financial year ended March 31, 2022
1	Total Revenue from Operations	₹ in million	16,807.00	17,182.00	34,886.00	31,929.00	26,042.00
2	Revenue growth – YoY	%	(2.18%)	21.63%	9.26%	22.61%	-
3	Material margin <sup>(1)</sup>	₹ in million	12,106.00	12,282.00	25,584.00	23,327.00	18,552.00
4	Material margin % <sup>(2)</sup>	%	72.03%	71.48%	73.34%	73.06%	71.24%
5	EBITDA <sup>(3)</sup>	₹ in million	4,466.00	4,586.00	10,033.00	9,344.00	7,654.00
6	EBITDA growth – YoY	%	(2.62%)	17.80%	7.37%	22.08%	-
7	EBITDA margin <sup>(4)</sup>	%	26.57%	26.69%	28.76%	29.26%	29.39%
8	Profit before tax (PBT)	₹ in million	2,386.00	2,736.00	6,208.00	5,936.00	4,844.00
9	Profit after tax (PAT)	₹ in million	1,818.00	2,099.00	5,100.00	4,644.00	3,958.00
10	Profit after tax (PAT) growth – YoY	%	(13.39%)	19.33%	9.82%	17.33%	-
11	Profit after tax margin	%	10.82%	12.45%	14.62%	14.54%	15.20%
12	Return on Capital Employed (ROCE) <sup>(5)</sup>	%	5.23%	6.29%	13.88%	21.66%	11.77%
13	Return on Equity <sup>(6)</sup>	%	4.39%	5.86%	11.98%	12.84%	12.00%
14	Net Debt/Equity <sup>(7)</sup>	Times	0.03	(0.02)	0.00	0.08	0.15
15	Net Debt/EBITDA	Times	0.26	(0.17)	(0.01)	0.30	0.66
16	Gross fixed asset turnover <sup>(8)</sup>	%	NA	NA	NA	71.25%	67.08%
17	Number of scientific staff	Number	NA	NA	NA	NA	NA
18	Net Working Capital Days <sup>(9)</sup>	No. of days	66	77	43	99	112
19	Inventory Days <sup>(10)</sup>	No. of days	80	122	112	109	58

Source:

All the information for listed industry peers mentioned above is on a consolidated basis and is extracted and derived from their financial statements as available on the website of the respective companies.

1. Material Margin is calculated as Revenue minus Material Cost. Material Cost is calculated as cost of materials consumed plus changes in inventory of WIP.
2. Material Margin (%) is calculated as the absolute amount of material margin expressed as a percentage of total revenue from operations.
3. EBITDA is calculated as aggregate of restated profit before tax, depreciation and amortization expense and finance costs, less other income (excluding forex gain), for the relevant period.
4. EBITDA Margin (%) is calculated as EBITDA expressed as a percentage of total revenue from operations.
5. Return on capital employed is calculated as earnings before interest and tax divided by capital employed. Earnings before interest and tax is calculated as aggregate of restated profit before tax, finance costs, for the relevant period. Capital Employed is calculated as aggregate of total equity, total borrowings including lease liabilities.
6. Return on equity is calculated as profit after tax for the period divided by total equity for the relevant period.
7. Net Debt is calculated as aggregate of total borrowings and total lease liabilities minus aggregate of cash and cash equivalents, other bank balances and current fixed deposits.
8. Gross fixed asset turnover (%) is calculated as total revenue from operations divided by the sum of gross block of property, plant and equipment, intangible assets and right-of-use assets. Figures for six months period ended September 30, 2024 and September 30, 2023 have been annualized.
9. Net working capital days is calculated as net working capital divided by revenue from operations. Net working capital is calculated as current assets (excluding cash and cash equivalents, other bank balances and current fixed deposits) minus current liability (excluding borrowings, lease liability and provision for gratuity and compensated absences).
10. Inventory Days is calculated by dividing average inventory by cost of goods sold and multiplying it by 365 days for the relevant financial year and 183 days for the six months period ended September 30, 2024 and September 30, 2023. Figures for six months period ended September 30, 2024 and September 30, 2023 have been annualized.

## Schedule 1

For calculation of WACA and identification of underlying transactions as described in (I) – (A) and (B), and (II), we have performed the following procedures:

- (i) obtained the list of Promoter, members of the Promoter Group, Selling Shareholder and Shareholder(s) having the right to nominate director(s) as defined under SEBI ICDR Regulations from the management of the Company for the purpose of calculation of price per share;
- (ii) compared the date of acquisition / sale / transfer; number of equity shares; and acquisition / issue cost per equity share in respect of each of these persons/entities, with the Register of members, minutes of the meetings of the board of directors of the Company, minutes of annual general meeting and extra-ordinary general meetings, relevant statutory registers including share allotment and share transfer registers, Form 2 (Return of Allotment) pursuant to Section 75(1) of the Companies Act, 1956, as amended (for allotments since inception to March 31, 2014) and Form PAS-3 pursuant to Section 39(4) of the Companies Act, 2013, as amended, and Rule 12 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended (for allotments since April 1, 2014) along with extracts of relevant board and shareholder resolutions, Form SH-7 pursuant to Section 64(1) of the Companies Act, 2013, as amended and Rule 15 of the Companies (Share Capital and Debenture Rules), 2014, confirmation from the Company for monies received from the selling shareholders, bank account statements, relevant filings with the Reserve Bank of India, demat transfer statements, share transfer forms, delivery instruction slips, any other forms filed with any regulatory authority in this regard and other documents presented to us;
- (iii) verified the details of primary issuance made by the Company relevant allotment forms, statutory registers of the Company filed with the Registrar of Companies;
- (iv) computed weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of this certificate, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.
- (v) verified the details of secondary acquisition / sale / transfer in respect of Promoter, members of the Promoter Group, Selling Shareholder and Shareholder(s) having the right to nominate director(s) from share transfer forms, demat transfer statements, depository instruction slips and other documents and accounts as may be deemed relevant;
- (vi) computed weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity/convertible securities), where promoter / promoter group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) in company Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.
- (vii) relied on the confirmation provided by Promoter, members of the Promoter Group, Selling Shareholder and Shareholder(s) having the right to nominate director(s); and

(viii) relied on the details provided by the Company viz. details of vested employee stock option scheme as on particular dates.

## Schedule 2

- A. Compared the amounts with, or recalculated the percentages based on, amounts included in or derived from the Restated Financial Statements and found them to be in agreement.
- B. Compared the amounts/ metrics with, or recalculated the percentages based on, corresponding amounts/ metrics appearing in a schedule prepared by officials of the Company based on the accounting records of the Company and found them to be in agreement. We proved the mathematical accuracy of such schedule prepared by the officials of the Company. We also compared the amount identified in such schedule with the corresponding amount appearing in the relevant accounting records of the Company and found them to be in agreement.
- C. Compared the amounts/ metrics with, or recalculated the percentages based on, corresponding amounts/ metrics appearing in a schedule prepared by officials of the Company based on management accounts, relevant management information system reports, the enterprise resource planning (“ERP”) systems or other financial information, corporate, secretarial, regulatory filings or other records of the Company and found them to be in agreement. We proved the mathematical accuracy of such schedule prepared by the officials of the Company. We also compared the amounts/ metrics identified in such schedule with the corresponding amounts/ metrics appearing in the relevant corporate, secretarial and other records of the Company and found them to be in agreement.
- D. Proved the arithmetic accuracy or computation of the percentages or amounts.