

# Price Waterhouse & Co Chartered Accountants LLP

To,  
The Board of Directors  
Sanofi India Limited  
Sanofi House,  
CTS No. 117-B, L & T Business Park,  
Saki Vihar Road, Powai,  
Mumbai – 400 072

## Auditor's Certificate

- 1) This certificate is issued in accordance with the terms of our agreement dated May 10, 2023.
- 2) The accompanying undertaking stating the reasons for non-applicability of the requirements stated in paragraph A.10(b) of Part I of the 'Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957' issued by the Securities and Exchange Board of India ("SEBI") vide ref. no. SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated November 23, 2021 (hereinafter referred to as the "Master Circular") (the "Undertaking") has been prepared by the Management of Sanofi India Limited (the 'Company') pursuant to the requirements of paragraph 10(c) of the Master Circular in connection with the proposed Scheme of Arrangement between the Company as the demerged company and Sanofi Consumer Healthcare India Limited as the resulting company and their respective shareholders and creditors (hereinafter referred to as the "Proposed Scheme") and has been approved by the Board of Directors of the Company in its meeting held on May 10, 2023. We have initialed the Undertaking for identification purpose only.

## Management's Responsibility for the Undertaking

- 3) The preparation of the Undertaking is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Undertaking and applying an appropriate basis of preparation.
- 4) The Management is also responsible for ensuring that the Company complies with the requirements of the Master Circular and the Companies Act, 2013 in relation to the Proposed Scheme and for providing all the information to the BSE and NSE (the "Stock Exchanges") as required therein.

## Auditor's Responsibility

- 5) Pursuant to the Circular, it is our responsibility to examine the Proposed Scheme, the Undertaking and the books and the records of the Company, and certify whether the requirements stated in Paragraph A.10(b) of Part I of the Master Circular as set out in the Undertaking, are applicable to the Proposed Scheme.
- 6) We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India. 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.
- 7) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)



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## Conclusion

- 8) Based on our examination as above, and the information and explanations furnished to us, we certify that, to the best of our knowledge, the requirements stated in Paragraph A.10(b) of Part I of the Master Circular as set out in the Undertaking are not applicable to the Proposed Scheme.

## Restriction on Use

- 9) Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Master Circular. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this certificate nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.
- 10) This certificate has been issued for the sole use of the Board of Directors of the Company, to whom it is addressed, to enable the Company to make its application to the Stock Exchanges and should not be used by any other person or for any other purpose. Price Waterhouse & Co Chartered Accountants LLP neither accepts nor assumes any duty or liability for any other purpose or to any other party to whom our certificate is shown or into whose hands it may come without our prior consent in writing.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/E-300009



Arunkumar Ramdas  
Partner

Membership Number: 112433  
UDIN: 23112433BGYMMG8372

Place: Mumbai  
Date: May 10, 2023



**Undertaking as approved by the Board of Directors of the Company in their meeting held on May 10, 2023 stating the reasons for non-applicability of the requirements stated in paragraph A.10(b) of Part I of the 'Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957' issued by the Securities and Exchange Board of India ("SEBI") vide ref. no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 (hereinafter referred to as the "Master Circular") (the "Undertaking")**

*In connection with the proposed Scheme of Arrangement between Sanofi India Limited ("Demerged Company" or "the Company") and Sanofi Consumer Healthcare India Limited ("Resulting Company") and their respective shareholders and creditors (hereinafter referred to as the "Proposed Scheme") and has been approved by the Board of Directors of the Company in its meeting held on May 10, 2023.*

*Pursuant to Part I (A)(10)(c) of SEBI circular, the Company is required to provide an undertaking for the non-applicability of the requirements set out in Part I (A)(10)(a) read with the conditions prescribed in Part I (A)(10)(b) of the SEBI Circular. Accordingly, the Company hereby undertakes that the requirements stated at paragraph I(A)(10)(a) and I(A)(10)(b) of the SEBI circular are not applicable to the Scheme for the reasons mentioned below:*

- i. **Part I (A)(10)(b)(i)-** "Where additional shares have been allotted to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the listed entity."

**Reason of non-applicability:** Pursuant to the Scheme, fully paid-up equity shares of the Resulting Company will be allotted to the shareholders of the Demerged Company in accordance with the Demerger Share Entitlement Ratio. No additional shares will be allotted to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the listed company.

As per clause 3.3.3 of the Draft Demerger Scheme, the Boards of Directors of the Demerged Company and the Resulting Company have determined to issue equity shares, on a fully diluted basis, to the shareholders of the Resulting Company, based on price arrived as per the share entitlement ratio report dated [●], prepared by [●]. Upon this Scheme coming into effect the Resulting Company shall, without any further act or deed, issue and allot to the shareholders of the Demerged Company whose name is recorded in the register of members of the Demerged Company on the Record Date, equity shares of the Resulting Company in the ratio of [●] equity shares having a face value of Rs. 10 each of the Resulting Company for every [●] equity share having a face value of Rs. 10 each of the Demerged Company, each equity share being fully paid-up (the "Demerger Share Entitlement Ratio")

Also as per clause 3.6.1: Notwithstanding anything to the contrary contained in this Scheme, upon this Scheme becoming effective, the equity shares of the Resulting Company held by the Demerged Company will stand cancelled on or after the Effective Date by operation of law, without payment of any consideration or any further act or deed by either of the Demerged Company and the Resulting Company.

Therefore no additional shares will be allotted to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the listed company.

**Hence clause (i) is not applicable**



- ii. **Part I (A)(10)(b)(ii)**-Where the Scheme of Arrangement involves the listed entity and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.

**Reason of non-applicability:** The Scheme involves Sanofi India Limited i.e., the Demerged Company and its wholly owned subsidiary i.e., the Resulting Company. The Scheme does not involve any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.

As per clause 1.1.3 of the Draft Demerger Scheme, the Scheme seeks to demerge Sanofi India Limited is a company (Demerged Undertaking) into the Resulting Company.

As per clause 1.6 of the Draft Demerger Scheme: In the present case, the Resulting Company is a wholly owned subsidiary of the Demerged Company, and both the Companies are part of the Sanofi Group. In addition, the Demerged Undertaking is not jointly controlled by any entity which is not part of the Sanofi group.

Therefore, The Scheme does not involve any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.

**Hence clause (ii) is not applicable**

- iii. **Part I (A)(10)(b)(iii)**-Where the parent listed entity has acquired, either directly or indirectly, the equity shares of the subsidiary from any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the parent listed entity, and if that subsidiary is being merged with the parent listed entity under the Scheme.

**Reason of non-applicability:** The Scheme does not involve merger of any subsidiary with Sanofi India Limited.

As per the Draft Demerger Scheme, it is a scheme of demerger and does not involve acquiring, either directly or indirectly, the equity shares of the subsidiary from any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the parent listed entity, and if that subsidiary is being merged with the parent listed entity under the Scheme.

**Hence clause (iii) is not applicable**

- iv. **Part I (A)(10)(b)(iv)**-Where the scheme involving merger of an unlisted entity results in reduction in the voting share of pre-scheme public shareholders of listed entity in the transferee / resulting company by more than 5% of the total capital of the merged entity;

**Reason of non-applicability:** The Scheme does not involve merger of any unlisted entity with Sanofi India Limited.

As per the Draft Demerger Scheme, it is a scheme of demerger and does not involve merger of any unlisted entity with Sanofi India Limited.

**Hence clause (iv) is not applicable**





- v. **Part I (A)(10)(b)(v)**-Where the scheme involves transfer of whole or substantially the whole of the undertaking of the listed entity and the consideration for such transfer is not in the form of listed equity shares;

**Reason of non-applicability:** The consideration under the Scheme is issuance of equity shares of the Resulting company which will be listed on the stock exchanges.

As per clause 3.5.1 and other relevant clauses of the Draft Demerger Scheme: All equity shares of the Resulting Company issued to trading pursuant to clause 3.3 and in terms of this Scheme and SEBI circular or otherwise shall, subject to the execution of the listing agreement and payment of the appropriate fees, be listed on the NSE and the BSE and on such other recognised stock exchange(s) in India, and/or admitted to trading if any, as may be decided by the Board of Directors of the Resulting Company. The Resulting Company shall apply to all the Stock Exchanges (where the shares of Demerged Company are listed) and SEBI for listing and admission of all the equity shares of the Resulting Company issued pursuant to Clause 3.3. The Resulting Company shall enter into such arrangements, complete such formalities and give undertakings, if any to the Stock Exchanges as may be necessary in accordance with the applicable laws for listing of equity shares of Resulting Company.

The equity shares of the Resulting company will be listed on the stock exchanges and therefore the consideration for such transfer is in the form of listed equity shares.

**Hence clause (v) is not applicable**

For the reasons stated above, we undertake that the following requirement of Part I (A)(10)(a) read with conditions specified under Part I (A)(10)(b) of the SEBI Circular is not applicable to the Scheme:

"Requirement for the Scheme of arrangement to be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it."



The statutory auditors have initialed this statement for identification purposes only and this Statement should be read in conjunction with the certificate dated May 10, 2023

For and On Behalf of Sanofi India Limited

Date: May 10, 2023



MR. VAIBHAV KARANDIKAR  
CHIEF FINANCIAL OFFICER AND  
WHOLE TIME DIRECTOR