



## SANOFI INDIA LIMITED

**Corporate Identification No.:** L24239MH1956PLC009794

**Registered Office:** Sanofi House, CTS No. 117-B, L&T Business Park, Saki Vihar Road, Powai – 400 072, Maharashtra

**Tel:** 022-28032000, **E-mail:** [igrc.sil@sanofi.com](mailto:igrc.sil@sanofi.com), **Website:** [www.sanofiindia.com](http://www.sanofiindia.com)

[Pursuant to Sections 230(3) of the Companies Act, 2013 and Rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

### NOTICE CONVENING THE MEETING OF THE UNSECURED CREDITORS OF SANOFI INDIA LIMITED, PURSUANT TO THE ORDER DATED 9 NOVEMBER 2023 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH.

Meeting Details	
<b>Day</b>	Monday
<b>Date</b>	18 December 2023
<b>Time</b>	3:00 p.m.
<b>Mode of Meeting</b>	As per the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench, the Meeting shall be conducted through video conferencing/other audio-visual means.
<b>Cut-off date for sending notice to eligible shareholders.</b>	17 August 2023
<b>Cut-off date for e-voting</b>	17 August 2023
<b>Remote e-voting start date and time</b>	15 December 2023 at 9:00 a.m. (IST)
<b>Remote e-voting end date and time</b>	17 December 2023 at 5:00 p.m. (IST)

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## BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENCH AT MUMBAI

## COMPANY SCHEME APPLICATION (CSA) NO. (CAA) 236/MB/2023

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016.

AND

## IN THE MATTER OF SCHEME OF ARRANGEMENT AMONGST

<b>SANOFI INDIA LIMITED</b>	)	
CIN L24239MH1956PLC009794,	)	
PAN: AAACH2736F	)	
A COMPANY INCORPORATED	)	
UNDER THE COMPANIES ACT, 1956,	)	
HAVING ITS REGISTERD OFFICE AT	)	
SANOFI HOUSE, CTS NO.117-B	)	
L&T BUSINESS PARK,	)	
SAKI VIHAR ROAD, POWAI	)	...DEMERGED
MUMBAI – 400072, MAHARASHTRA.	)	COMPANY

**NOTICE CONVENING THE MEETING OF THE UNSECURED CREDITORS OF SANOFI INDIA LIMITED.**

To,

the Unsecured Creditors of  
**Sanofi India Limited.**

NOTICE is hereby given that pursuant to the order dated 9 November 2023, in the Company Scheme Application (CAA) No. 236/MB/2023, passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ("**Tribunal**"/"**NCLT**") (and such order the "**Tribunal Order**"), a meeting of the Unsecured Creditors (hereinafter "**Unsecured Creditors**") of Sanofi India Limited ("**Company/Demerger Company**"), will be held for the purpose of their considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement between the Demerged Company and the wholly-owned subsidiary of such Company, Sanofi Consumer Healthcare India Limited ("**Resulting Company**") and their respective shareholders and creditors (as applicable) ("**Scheme**") on Monday, 18 December 2023 at 3:00 p.m. (IST), in terms of the Tribunal Order.

Pursuant to the Tribunal Order and as directed therein, the meeting of the Unsecured Creditors of the Company ("**Meeting**") will be held through video conferencing ("**VC**")/other audio visual means ("**OAVM**"), in compliance with the applicable provisions of the Companies Act, 2013 ("**Act**"), to consider, and if thought fit, pass, with or without modification(s), the following resolution approving the Scheme by requisite majority as prescribed under Section 230 (6) of the Act, as amended from time to time.

**"RESOLVED THAT** in terms of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), applicable circulars and notifications issued by Ministry of Corporate Affairs, the Securities and Exchange Board of India Act, 1992 and the regulations thereunder including Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with the SEBI Master Circular number SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023 and other applicable SEBI Circulars, the observation letter(s) issued by each of BSE Limited and the National Stock Exchange of India Limited, each dated 22 September 2023, the Memorandum and Articles of Association of each of Sanofi India Limited ("**Company**") and Sanofi Consumer Healthcare India Limited ("**Resulting Company**") and subject to the approval of the Hon'ble National Company Law Tribunal, Mumbai bench ("**NCLT**") and such other approvals, permissions and sanctions of any other regulatory or statutory authority(ies), as may be deemed necessary and subject to such conditions and modifications as may be prescribed or imposed by the NCLT or any other regulatory or statutory authority(ies), while granting such consents, approvals and permissions, which may be agreed to by the board of directors of the Company ("**Board**", which term shall be deemed to mean and include one or more committee(s) constituted/ to be constituted by the Board or any other person authorised by the Board to exercise its powers including the powers conferred by this resolution), the arrangement embodied in the proposed Scheme of Arrangement between the Company and the Resulting Company and their respective creditors and shareholders ("**Scheme**"), as enclosed with this notice of the convened Meeting of the unsecured creditors, be and is hereby approved.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem desirable, appropriate or necessary, to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, at any time and for any reason whatsoever, which may be needed and/or imposed by the NCLT its Appellate Authority(ies) while sanctioning the demerger embodied in the Scheme or by any statutory/regulatory authority(ies), or as may be needed for the purpose of resolving any doubts or difficulties that may arise while giving effect to the Scheme, as the Board may deem fit and proper, without needing to seek any further approval of the unsecured Creditors and the unsecured creditors shall be deemed to have given their approval thereto expressly by authority under this Resolution

**“RESOLVED FURTHER THAT** the Board may delegate all or any of its powers herein conferred to any director(s) and/or officer(s) of the Company, to give effect to this resolution, if needed, as it may in its absolute discretion deem fit, necessary or desirable, without any further approval from shareholders of the Company.”

**TAKE FURTHER NOTICE** that the Unsecured Creditors shall have the facility and option of voting on the resolution for the Scheme by casting their votes: (a) through e-voting system available at the Meeting to be held virtually on Monday, 18 December 2023 at 3:00 p.m.; or (b) by remote electronic voting (**“Remote e-voting”**) during the period as stated below:

<b>REMOTE E-VOTING PERIOD.</b>	
Commencement of voting	15 December 2023 at 9:00 a.m.
End of voting	17 December 2023 at 5:00 p.m.
Cut-off date for e-voting	17 August 2023

In compliance with the applicable provisions of the Act, the NCLT convened Meeting of the Unsecured Creditors of the Company is being held through VC/OAVM without the physical presence of the Unsecured Creditors at a common venue.

5. Pursuant to the provisions of the Act, an Unsecured Creditor entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be an Unsecured Creditor of the Company. However, as this Meeting is being held through VC/OAVM, and physical attendance has been dispensed with, the facility for appointment of proxies by the Unsecured Creditors will not be available for the Meeting and therefore the proxy form and attendance slip is not annexed to this notice. Unsecured Creditors attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum as prescribed by the Tribunal Order.
6. Unsecured Creditors as on the cut-off date, i.e., 17 August 2023 only shall be entitled to exercise the voting rights on the resolution proposed in this notice.
7. Corporate Unsecured Creditors (i.e., other than individuals/Hindu Undivided Family) need to send legible scanned certified true copies (PDF/JPG format) of the relevant board or governing body resolution/power of attorney/ authority letter, etc. in respect of the representative(s) who are authorised to attend the Meeting through VC/OAVM on its behalf and to vote through Remote e-voting or to vote at the Meeting. The resolution/ authorisation shall be sent to the scrutiniser by e- mail to [scrutinizer@snaco.net](mailto:scrutinizer@snaco.net) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and to the Company at [igrc.sil@sanofi.com](mailto:igrc.sil@sanofi.com) not later than 48 (forty eight) hours before the scheduled time of the commencement of the Meeting. In addition, the relevant corporate unsecured creditors are required to upload the resolution/ power of attorney/ authority letter, etc. in respect of their representative(s) who are authorised to attend the Meeting on the e-voting module at their login page.
8. A copy of the Scheme, statement under Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 along with all annexures to such statement (**“Explanatory Statement”**) are enclosed herewith.
9. Notice of the Meeting is being sent only through electronic mode to those Unsecured Creditors whose e-mail addresses are registered with the Company and physical copy by speed post to the Unsecured Creditors whose e-mail addresses are not available with the Company. Unsecured Creditors may note that the notice of the Meeting and annexures thereto will also be available on the Company’s website at [www.sanofiindia ltd.com](http://www.sanofiindia ltd.com).
10. The Tribunal has appointed Mr. Virendra Singh, IRS (Retd.), failing him Mr. Rodolfo Hrosz, Managing Director of the Applicant/ Demerged Company, failing him Mr. Vaibhav Karandikar, Whole-time Director and Chief Financial Officer of the Applicant/Demerged Company as the Chairperson for the Meeting. The Tribunal has appointed S. N. Viswanathan (ACS: 61955 | COP No.: 24335) or in his absence Malati Kumar (ACS: 15508 | COP No.: 10980) partners at S. N. ANANTHASUBRAMANIAN & Co. Company Secretaries as scrutiniser for the Meeting, to scrutinise the process of remote e-voting prior to the Meeting as well as e-voting during the Meeting.



11. The Company has appointed the National Securities Depository Limited ("**NSDL**"), to provide VC facility for the Meeting (for remote e-voting and e-voting) and the attendant enablers for the conduct of the Meeting.
12. Unsecured Creditors will be able to attend the Meeting through VC/OAVM or view the live webcast of the Meeting by logging on to the e-voting website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) using their secure login credentials.
13. The above-mentioned Scheme, if approved at the Meeting, will be subject to the subsequent sanction of the Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

Sd/-

**Mr. Virendra Singh, IRS (Retd.)**

Chairperson appointed for the Meeting.

Date: 11 November 2023.

Place: Mumbai.

**Registered office:**

Sanofi House,

CTS No.117-B, L&T Business Park,

Saki Vihar Road, Powai

Mumbai – 400072,

CIN: L24239MH1956PLC009794.

Telephone: 022-28032000.

E-mail: [igrc.sil@sanofi.com](mailto:igrc.sil@sanofi.com)

**NOTES:**

1. Pursuant to the directions of the Tribunal vide the Tribunal Order, the Meeting of the Unsecured Creditors of the Company is being conducted through VC/OAVM facility to transact the business set out in the notice convening the Meeting. As such, physical attendance of Unsecured Creditors has been dispensed with. The deemed venue for the Meeting shall be the registered office of the Company.
2. The Explanatory Statement in respect of the business set out in the notice of the Meeting is annexed hereto.
3. In terms of the directions contained in the Tribunal Order, the notice convening the Meeting is being published by the Company through advertisement in the newspapers, "Business Standard" (English edition) and "Navshakti" (Marathi edition), both having wide circulation in the state of Maharashtra.
4. Unsecured Creditors attending the Meeting through VC/OAVM shall be reckoned for the purpose of quorum. In terms of the Tribunal Order, the quorum for the Meeting shall be in terms of the Section 103 of the Companies Act 2013, present either in person or by authorised representative, and if the quorum is not present at the commencement of the Meeting, the Meeting will be adjourned by 30 (thirty) minutes and thereafter, the Unsecured Creditors attending the Meeting shall constitute the quorum.
5. The Unsecured Creditors may note that the aforesaid documents (i.e., the notice of the Meeting and the accompanying documents) are also available on the website of the Company and can be accessed/downloaded using the given link: [www.sanofiindia.com](http://www.sanofiindia.com). Hard copies of the aforesaid documents can be obtained at Sanofi House, CTS No.117-B L & T Business Park, Saki Vihar Rd, Krishna Nagar, Powai, Mumbai, 400077, Maharashtra of the Company or at the office of its Advocate, Shardul Amarchand Mangaldas at Express Tower, 23rd Floor, Nariman Point, Mumbai-400021, India on all working days between 10.30 a.m. (IST) and 4.30 p.m. (IST), free of charge upto 1 (one) working day of the Meeting, on a requisition being so made for such documents by the relevant Unsecured Creditor(s) of the Company. A written request in this regard, may be addressed to the Company Secretary, Ms. Radhika Shah by sending an e mail at [igre.sil@sanofi.com](mailto:igre.sil@sanofi.com) or by sending request at the registered office of the Company.
6. **PROCEDURE FOR JOINING THE MEETING THROUGH VC/OAVM:**
  - (a) Pursuant to the directions of the Tribunal given under the Tribunal Order and the provisions of Section 108 and other applicable provisions of the Act read with the Companies (Management and Administration) Rules, 2014, as amended, the Company is providing to its Unsecured Creditors facility to exercise their right to vote on the resolution proposed to be passed: (a) through Remote e-voting; and (b) at the Meeting by electronic means.
  - (b) Unsecured Creditors may access the facility by following the steps mentioned below for Access to NSDL e-voting system. After successful login, you can see link of "VC/OAVM link" placed under the 'join meeting' menu against the Company name. You are requested to click on VC/OAVM link placed under 'join meeting' menu. The link for VC/OAVM will be available in Unsecured Creditor login where the 'EVEN' of the Company will be displayed.
  - (c) Please note that the Unsecured Creditors who do not have the user ID and password for e-voting or have forgotten the user ID and password may obtain/retrieve the password by following the Remote e-voting instructions set out in the notice.
  - (d) For convenience of the Unsecured Creditors and proper conduct of the Meeting, Unsecured Creditors can login and join 30 (thirty) minutes before the time scheduled for the Meeting. Unsecured Creditors can also login and join anytime throughout the proceedings of the Meeting.
  - (e) Unsecured Creditors are encouraged to join the Meeting through laptops for better experience.
  - (f) Please note that Unsecured Creditors connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
7. **PROCESS AND MANNER FOR REMOTE E-VOTING AND E-VOTING AT THE MEETING:**
  - (a) In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Unsecured Creditors are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on the resolution set forth in this notice. The instructions for the procedure for e-voting are set out below at serial number 11.
  - (b) The Remote e-voting period shall commence on 15 December 2023 at 9:00 (IST) and ends on 17 December 2023 at 5:00 p.m. (IST). During this period, Unsecured Creditors of the Company, as on the cut-off date i.e., 17 August 2023, may cast their vote by Remote e-voting. The voting rights of Unsecured Creditors shall be in proportion to the amount payable to them as per the books of accounts of the Company as on the cut-off date, i.e., 17 August 2023. The Remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Unsecured Creditor, it cannot be changed subsequently.

**8. INSTRUCTIONS:**

The necessary steps for casting your vote by Remote e-voting are as follows:

- (a) Visit the e-voting website of NSDL and open the web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
- (b) Once the home page of e-voting system is launched, click on the icon 'login' which is available under the 'Creditor' section.
- (c) A new screen will open. You will have to enter your user ID, your password and the verification code displayed on the screen.
- (d) Your login id and password details for casting your vote electronically and for attending the Meeting through VC/OAVM are attached in the '.pdf' file enclosed in the e-mail. Please note that the password to open the '.pdf' file is the unique ID mentioned above.
- (e) At the first instance, the system will ask to reset your password, upon entering your password, please tick 'agree' to 'terms and conditions' by selecting the relevant check box.
- (f) Please click on the 'login' button. Subsequent to selection of the 'login' button, the home page of e-voting will open and you will be able to see the 'EVEN' number of the Company.
- (g) Please click on 'EVEN' of the Company and cast your vote by selecting appropriate options i.e., assent or dissent, and click on 'submit' and 'confirm' when prompted.
- (h) Upon confirmation, the message 'vote cast successfully' will be displayed.
- (i) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- (j) If you face any problems/experience any difficulty or if you forgot your password please feel free to contact NSDL on 022 - 4886 7000 and 022 - 2499 7000 or contact Ms. Pallavi Mhatre, Senior Manager - NSDL or Mr. Amit Vishal, Assistant Vice President - NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**9. THE INSTRUCTIONS FOR UNSECURED CREDITORS FOR E-VOTING ON THE DAY OF THE MEETING ARE AS UNDER:**

- (a) The procedure for e-voting on the day of the Meeting is the same as the instructions mentioned above for Remote e-voting.
- (b) Only those Unsecured Creditors, who will be present in the Meeting through VC/OAVM facility and have not casted their vote on the resolution through Remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the E-Voting system in the Meeting.

**10. INSTRUCTIONS FOR UNSECURED CREDITORS FOR ATTENDING THE MEETING THROUGH VC/OAVM ARE AS UNDER:**

- (a) Unsecured Creditors will be provided with a facility to attend the Meeting by way of VC/OAVM through the NSDL e-voting system. Unsecured Creditors may access the same at <https://www.evoting.nsdl.com> under 'creditor' login by using the Remote e-voting credentials. The link for VC/OAVM will be available in 'creditor' login where the EVEN of company will be displayed.

The general instructions and procedure for e-voting at the Meeting are set out below:

- (b) Only those Unsecured Creditors who will be present in the Meeting through VC/OAVM facility and have not casted their vote on the resolution through Remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the Meeting. E-voting during the Meeting is integrated with the VC platform and no separate login is necessary for e-voting.
- (c) The e-voting window shall be activated upon instructions of the Chairperson of the Meeting during the Meeting and who shall also announce the commencement of the casting of the vote at the Meeting through the e-voting platform and thereafter the e-voting at the Meeting shall commence.
- (d) Upon the Chairperson's declaration of the commencement of e-voting at the Meeting, the Unsecured Creditors shall click on the 'vote' sign on the left-hand bottom corner of their video screen for voting at the Meeting, which will take them to the 'Instapoll' page.
- (e) Unsecured Creditors are to click on the 'Instapoll' icon to reach the resolution page and follow the instructions to vote on the resolution, this facility shall be operational until all the resolutions are considered and voted upon in the Meeting.
- (f) An Unsecured Creditor can opt for only single mode of voting i.e., through Remote e-voting or e-voting at the Meeting. If an Unsecured Creditor casts vote by both modes, then voting done through Remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as invalid.

- (g) The Unsecured Creditors who have cast their votes by remote e-voting may also attend the Meeting but shall not be entitled to cast their votes again at the Meeting. Once the vote on the resolution is cast by an Unsecured Creditor, whether partially or otherwise, the Unsecured Creditor will not be allowed to change it subsequently or cast the vote again.
- (h) In case of any queries, please visit 'Help and Frequently Asked Questions' (FAQs) and e-voting user manual available at the download section of <https://www.evoting.nsdl.com>.
- (i) E-voting results - The scrutiniser shall, after the conclusion of e-voting at the Meeting, unblock the votes cast through Remote e-voting and votes cast during the Meeting and will submit a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairperson of the Meeting. The result of e-voting will be declared by the Chairperson of the Meeting within 2 (two) working days from the conclusion of the Meeting. The results declared, along with the scrutiniser's report, shall be: (i) displayed on the notice board of the registered office of the Company; and (ii) hosted on the website of the Company at: <https://www.sanofindialtd.com/>

## BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENCH AT MUMBAI

## COMPANY SCHEME APPLICATION (CSA) NO. (CAA) 236/MB/2023

## IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016.

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 L&T BUSINESS PARK, )  
 SAKI VIHAR ROAD, POWAI ) ...DEMERGED  
 MUMBAI – 400072, MAHARASHTRA. ) COMPANY

AND

SANOFI CONSUMER HEALTHCARE )  
 INDIA LIMITED )  
 CIN U21002MH2023PLC402652 )  
 PAN: ABKCS7912D )  
 A COMPANY INCORPORATED )  
 UNDER THE COMPANIES ACT, 2013 )  
 HAVING ITS REGISTERD OFFICE AT )  
 3RD FLOOR, SANOFI HOUSE, CTS NO.117-B )  
 L&T BUSINESS PARK, )  
 SAKI VIHAR ROAD, POWAI ) ... RESULTING  
 MUMBAI – 400072, MAHARASHTRA. ) COMPANY

**EXPLANATORY STATEMENT UNDER SECTIONS 230 AND 232, READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 (“2013 ACT”) AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 (“CAA RULES”) TO THE NOTICE OF THE MEETING OF THE EQUITY SHAREHOLDERS AND UNSECURED CREDITORS OF SANOFI INDIA LIMITED, CONVENED PURSUANT TO THE ORDER OF THE HON’BLE NATIONAL COMPANY LAW TRIBUNAL, BENCH AT MUMBAI (“TRIBUNAL”) DATED 9 NOVEMBER, 2023 (“ORDER”).**

- The Tribunal by the Order, has directed separate meetings to be convened of the equity shareholders and unsecured creditors of Sanofi India Limited, for the purpose of their consideration and if though fit, approving, with or without modification(s), the proposed Scheme of Arrangement amongst Sanofi India Limited (“**Demerged Company**”) and Sanofi Consumer Healthcare India Limited (“**Resulting Company**”) and their respective Shareholders and Creditors (“Scheme”) appended hereto as **ANNEXURE “1”**. The Demerged Company and the Resulting Company are hereinafter also where the context admits, collectively referred to as the “**Companies**”. The Scheme, provides for inter alia: (a) the transfer and vesting of the Demerged Undertaking of the Demerged Company being the consumer healthcare business undertaking of the Demerged Company and its vesting in the Resulting Company; and (b) issuance of equity shares by the Resulting Company to the equity shareholders of the Demerged Company.

Capitalised terms not defined herein and used in the respective notice convening the aforesaid meetings and this statement, shall have the same meaning as ascribed to them in the Scheme.

**Note:** Annexure "1" hereto is the Scheme approved by the Board of Directors, of the Demerged Company, the Resulting Company, the Securities and Exchange Board of India, the BSE Limited and the National Stock Exchange of India. The Tribunal by the Order has amended the Appointed date in the Scheme to 1 April 2023.

## BACKGROUND OF THE COMPANIES

### Particulars of the Demerged Company:

2. Sanofi India Limited ("**Demerged Company**") is a public limited company incorporated under the Companies Act, 1956 ("**1956 Act**"), having its registered office at Sanofi House, CTS No.117-B, L&T Business Park, Saki Vihar Road, Powai, Mumbai, Maharashtra, India – 400072. The Demerged Company was incorporated on 2 May 1956 under the name 'Hoechst-Fedco Pharma Private Limited'. The name of the Demerged Company was changed to "Hoechst Pharmaceuticals Private Limited" in terms of certificate of change of name dated 31 March 1959. The name of the Demerged Company was changed to "Hoechst India Limited" in terms of fresh certificate of incorporation consequent to change of name dated 13 June 1984. On 1 January 1996, the name of the Demerged Company was further changed to "Hoechst Marion Roussel Limited" in terms of the fresh certificate of incorporation consequent on change of name. Subsequently, the name of the Demerged Company was changed to "Aventis Pharma Limited" in terms of fresh certificate of incorporation consequent on change of name dated 11 July 2001. The name of the Demerged Company was changed to its present name i.e., "Sanofi India Limited" in terms of fresh certificate of incorporation consequent upon change of name dated 11 May 2011.
3. The summary of the objects of the Demerged Company, as provided and set out in its Memorandum of Association are briefly as under:
  - (a) to carry on business in India as manufacturers, producers and refiners of drugs, medicines and chemical, pharmaceutical and antibiotic products and preparations of all kinds and all dyes, dyestuffs, paints, varnishes, colours and industrial, natural and chemical fertilisers of every description and tanning materials and ingredients of every kind and other articles, compounds, ingredients and other things of any description whether analogous to the foregoing or not;
  - (b) to carry on business in India as importers and dealers in, wholesale and retail and distribution of drugs, medicines and chemical, pharmaceutical and antibiotic products and preparations of all kinds and all dyes, dyestuffs, paints, varnishes, colours and industrial, natural and chemical fertilisers of every description and tanning materials and ingredients of every kind and all other articles of any description as the aforesaid;
  - (c) to buy, sell, deal in all kinds of machinery, plant and apparatus, utensils, articles and substances and things commonly used or capable of being used in connection with the materials and things to be manufactured, refined, dealt with, imported, distributed or sold by the company;
  - (d) to carry on any other trade or business whatsoever which can, in the opinion of the Company, be advantageously and conveniently carried on by the Company by way of extension of or in connection with any such business as aforesaid or is calculated directly or indirectly. to develop any branch of the Company's business or to increase the value of or turn to account any of the Company's assets, property or rights;
  - (e) to apply for purchase or otherwise acquire any interest in any recipes, patents, trademarks, licences, concessions or the like conferring exclusive or non-exclusive or limited right to use the same or any secret or information as to any invention in relation to the pro-cessing, manufacture, treatment, storage, application and use of drugs, medicines and chemical, pharmaceutical and antibiotic products and preparations of all kinds, dyes, dyestuffs, paints, varnishes, colours, fertilisers and tanning materials and of any materials or compounds or of any apparatus used in such processing, manufacture; treatment, storage, application and use or generally any inventions which may seem capable of being used for the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop, grant licences in respect thereof or otherwise turn to account the properties, rights and information so acquired;
  - (f) to acquire, buy, purchase, lease or otherwise acquire, hold, sell, ex-change, grant, dispose of and deal in lands, buildings, offices, shops, warehouses, laboratories, garages and premises of every description. mortgages, charges, grants, concessions, leases, contracts, policies, book debts and claims and any interest in any moveable or im-moveable property and any claims against such property; and
  - (g) to adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, by circulars, posters, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations (including donations to any fund for charitable or public purposes).
4. During the last five years, there has been no change in the object clause of the Demerged Company.
5. The share capital structure of the Demerged Company as on 10 May 2023 is as under:

Share Capital	Amount in Rs.
<b>Authorised Capital</b>	
23,500,000 equity shares of Rs. 10 each.	235,000,000.
<b>Total</b>	<b>235,000,000.</b>
<b>Issued, Subscribed and Paid-up Share Capital *</b>	
23,030,622 equity shares of Rs. 10 each.	230,306,220.
<b>Total</b>	<b>230,306,220.</b>

6. Subsequent to 10 May 2023, there has been no change in the aforesaid share capital structure of the Demerged Company.
7. The audited accounts of the Demerged Company for the financial year ended 31 December 2022 is annexed hereto as **ANNEXURE “2”**. The unaudited financial results of the Demerged Company as on 30 September 2023 is annexed hereto as **ANNEXURE “3”**.
8. The details of the directors and promoters of the Demerged Company as on the date of the Notice along with their address are stated hereinbelow :-

(a) **Directors**

S. No.	Name.	Date of appointment.	Age.	Designation.	DIN.	Address.
1.	Aditya Narayan.	30 April 2016.	71yrs	Director.	00012084.	B-20/2, DLF City I, Gurgaon 122002.
2.	Usha Thorat.	30 April 2016.	73yrs	Director.	00542778.	3702, Tower 4, Strata, Planet Godrej, K.K.Marg, Mahalaxmi, Mumbai 400011.
3.	Rahul Bhatnagar.	29 July 2020.	65yrs	Director.	07268064.	House No.78, Sector 15-A, Noida, Gautam Budh Nagar, UP – 201301.
4.	Renee Amonkar.	26 September 2023.	59yrs	Whole-time director.	10335917.	Kamat Classic, Building No. 8, UG1 PHASE 4, Caranzelem, Goa, 403002
5.	Vaibhav Vinayak Karandikar.	23 February 2021.	51yrs	Whole-time director.	09049375.	Flat No. 302, Vasundhara, Janki Kutir, Juhu Church Road, Vile Parle West, Mumbai – 400049.
6.	Marc Antoine Lucchini.	29 July 2020.	58yrs	Director	08812302.	28, Rue Pecllet, 75015 Paris.
7.	Rodolfo Hrosz.	1 June 2022.	57yrs	Managing director.	09609832.	Flat No. 801, 8th Floor, Writer Residences, St. Leo Road, CTS No. 462, Bandra (West), Mumbai-400050.

(b) **Promoters and Promoter Group**

S. No.	Name.	Category.	Number of equity shares held in Demerged Company as on 31 March 2023.	Address.
1.	Hoechst GmBH.	Body corporate.	1,39,04,722	Deutsche Bank AG, DB House, Hazarimal Somani Marg, P.O.Box No. 1142, Fort, Mumbai - 400001
2.	Sanofi SA.	Body corporate.	4,865	46, QUAI DE LA RAPEE, PARIS, 750120

9. None of the directors or KMP of the Demerged Company hold any shares in either the Demerged Company or the Resulting Company:-
10. The equity shares of the Demerged Company are listed on the BSE Limited (**“BSE”**) and the National Stock Exchange of India Limited (**“NSE”**).

**Particulars of the Resulting Company**

11. Sanofi Consumer Healthcare India Limited, (**“Resulting Company”**), is a company incorporated on 10 May 2023 under the 2013 Act, having its registered office at 3rd floor, Sanofi House, CTS No.117-B, L&T Business Park, Saki Vihar Road, Powai, Mumbai, Maharashtra, India – 400072. The Resulting Company is a wholly-owned subsidiary of the Demerged Company and six equity shares are held by each of: (a) Mr. Surendra Agarwal; (b) Ms. Vinita Patil; (c) Mr. Somak Ghosh; (d) Ms. Jagruti Kapadane; (e) Mr. Rupendra Sachdev; and (f) Mr. Chandukumar Parmar, as first subscribers to the memorandum of association of the Resulting Company as a nominee of the Demerged Company.
12. The summary of the main objects of the Resulting Company as set out in its Memorandum of Association are as under:
  - (a) “to carry on business of manufacturing, producing, processing, marketing, formulating, buying, trading, storing, packing, selling, distributing, importing, exporting, providing consultancy and otherwise dealing in all kinds of varieties of pharmaceuticals, especially consumer healthcare products, including: (i) basic drugs; (ii) drug intermediates; (iii) chemical, medical, biological and electrolytic drugs, ingredients, medicare, preparations and compositions; (iv) medicines, preparations and formulations in all or any forms, including formulations in which various drugs are processed; (v) patents, medicines, drugs enzymes, fermentations and generic products, vitamin and vitamins products tonic, food products, nutritional products, products in therapies such as pain care, allergy, digestive health, cough & cold, sleep, general wellness and hormones and hormone products; (vi) medical products all raw materials for and all derivatives, extracts, mixtures, powders, granules, compounds, syrups, by-products; (vii) bulk packaging, capsules, tablets, injectables, vials, ointments, sprays, other dosage forms and packaging of, the aforesaid items; (viii) dyes, paints, varnishes, colours, industrial, natural and chemical fertilisers of every description; (ix) acid tanning materials; and (x) and ingredients of every kind and other articles, compounds, ingredients and products or other things of any description whether analogous to the foregoing or not”

13. There has been no change in the object clause of the Resulting Company, subsequent to its incorporation.
14. The share capital structure of the Resulting Company as on 10 May 2023, is as under :-

Share Capital	Amount in Rs.
<b>Authorised Capital</b>	
23,500,000 equity shares of Rs. 10 each	23,50,00,000.
<b>Total</b>	<b>23,50,00,000.</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
20,00,000 equity shares of Rs. 10 each.	2,00,00,000.
<b>Total</b>	<b>2,00,00,000</b>

15. Subsequent to 10 May 2023, there has been no change in the aforesaid share capital structure of the Resulting Company.
16. The Resulting Company having been incorporated on 10 May 2023, the first audited accounts of the Resulting Company shall be prepared for the financial year ending 31 December 2024. The unaudited financial statement of the Resulting Company for the period from 10 May 2023 to 30 June 2023 is annexed hereto as **ANNEXURE "4"**.
17. The details of the directors and promoters of the Resulting Company (as on the date of the Notice) along with their address are stated hereinbelow:

(a) **Directors:**

S. No.	Name.	Date of appointment.	Age.	Designation.	DIN.	Address.
1.	Makarand Madhav Kulkarni	10 May 2023.	50yrs	Director.	10156793	L 502, Ekta Bhoomi Gardens, Dattapada Road, Near Solitare Honda, RA Endra Nagar, Borivali East, Mumbai-400066.
2.	Jagruti Devidas Kapadane	10 May 2023.	32yrs	Director.	10156794	A602, Iraicon, Nandivali Rd, Bazaar Lane, BH Subhashree Dombivali East-421201, Thane, MH.
3.	Carol-Ann Stewart	13 June 2023.	48yrs	Additional director.	10194751	2J Whitecraigs Court, G46 6SY, Giffnock, Glasgow, Scotland, United Kingdom.
4.	Fabien Jean Vaucel	13 June 2023.	48yrs	Additional director.	10194767	1B rue d Estienne d, Orves Chatillon, Paris France- 92320.

(b) **Promoters and Promoter Group:**

S. No.	Name.	Category.	Number of equity shares held in Resulting Company as on 10 May 2023.	Address.
1.	Sanofi India Limited.	Body corporate.	1,999,994.	Sanofi House, CTS No.117-B, L&T, Business Park Saki Vihar Rd, Powai, Mumbai 400072.
2.	Mr. Surendra Agarwal. (as a nominee of the Demerged Company).	Individual.	1	E/604, 6th Floor, Vasant Pride Thakur Complex, Kandivali East, Mumbai, MH.
3.	Ms. Vinita Patil. (as a nominee of the Demerged Company).	Individual.	1	201 Sovereign Central Avenue, Hiranandani Garden Powai, Mumbai-400076.
4.	Mr. Somak Ghosh. (as a nominee of the Demerged Company).	Individual.	1	Flat No B 403, Arlington Court, Thakur Village, Kandivali East, Mumbai-400101, MH.
5.	Ms. Jagruti Kapadane (as a nominee of the Demerged Company).	Individual.	1	A602, Iraicon, Nandivali Rd, Bazaar Lane, BH Subhashree Dombivali East-421201, Thane, MH.
6.	Mr. Rupendra Sachdev. (as a nominee of the Demerged Company).	Individual.	1	1002, Wing F, Ajmera Royal Classic, Andheri Link Rd, Near Laxmi Industrial Estate, Andheri West, Mumbai-53.



S. No.	Name.	Category.	Number of equity shares held in Resulting Company as on 10 May 2023.	Address.
7.	Mr. Chandukumar Parmar. (as a nominee of the Demerged Company).	Individual.	1	43, Bldg No. 7, New Piramal Nagar CHS, Piramal Nagar, S. V. Road, Goregaon West, Mumbai 400104

18. Except for Ms. Jagruti Kapadane, none of the directors of the Resulting Company hold shares in either the Demerger Company or the Resulting Company. Ms. Jagruti Kapadane holds 1 share in the Resulting Company as a nominee of the Demerger Company.

19. **Rationale and benefit of the demerger as proposed in the Scheme.**

The Demerged Company is primarily engaged in the business of manufacturing, producing, processing, marketing, formulating, buying, trading, storing, packing, selling, distributing, importing, exporting, providing consultancy and otherwise dealing in all varieties of pharmaceuticals including drugs, chemicals, medicinal products and antibiotic products. The Resulting Company has been incorporated to inter-alia carry on the business of manufacturing, producing, processing, marketing, formulating, buying, trading, storing, packing, selling, distributing, importing, exporting, providing consultancy and otherwise dealing in all kinds of varieties of pharmaceuticals, especially consumer healthcare products including drugs, chemicals, medicinal products and antibiotic products. With a view to enable a specialised operating model, create greater understanding and visibility etc., the Demerged Undertaking (as defined in the Scheme) of the Demerged Company is intended to be transferred and vest in the Resulting Company. The Demerged and the Resulting Company believe that the proposed Scheme would be in the best interests of each of the companies and their respective shareholders and creditors (as applicable) on account of the proposed demerger yielding advantages of unlocking of shareholders value in the manner set out below:

- (a) separation of the pharmaceutical and consumer healthcare businesses of the Demerged Company will allow the Demerged Company and the Resulting Company to have independent and focused management as well as independently pursue different opportunities and strategies for the growth of each respective businesses aligned to specific market dynamics;
- (b) the proposed demerger under the Scheme will enable a different operating model for the consumer healthcare business under the Resulting Company specific and fit for the purpose for a fast-moving consumer healthcare company, which would lead to a greater ability to operate independently and positively shape the consumer healthcare environment; the requirements of the businesses of the Demerged Company and the Resulting Company, including in terms of operations, nature of risks, competitive advantages, strategies and regulatory compliances are different and the demerger will allow for enhancement of the business models of both the Demerged Company and the Resulting Company;
- (c) the shareholders, investor, analyst community and other stakeholders will have greater understanding and visibility of both the pharmaceutical and consumer healthcare businesses;
- (d) the proposed demerger will not only facilitate pursuit of scale and independent growth plans but also more focused management and stronger leverage of specific global resources within the group and flexibility in terms of providing liquidity for shareholders (following the listing of the shares of the Resulting Company);
- (e) the proposed demerger will de-risk both the businesses from each other and allow potential investors and other stakeholders the option of investing in both businesses; and
- (f) the proposed demerger will unlock value for the shareholders of the Demerged Company.

20. **Salient Features of the Scheme**

The salient features of the Scheme are set out below:

- (a) The Scheme provides for the demerger of the consumer healthcare business (demerged undertaking) from the Demerged Company into the Resulting Company.
- (b) The Appointed Date under the Scheme is 1 April 2023, subject to the sanction of regulatory authorities, as set out in the Scheme. Please see note as set out at paragraph 1 herein above.
- (c) Upon the Scheme becoming effective, all the assets and liabilities and the business pertaining to the consumer healthcare business of the Demerged Company shall stand transferred to and vest in the Resulting Company, as a going concern. Details of the assets and liabilities of each of the Resulting Company and the Demerged Company, pre and post the Scheme are annexed hereto as **ANNEXURE "5"**.
- (d) Upon the Scheme becoming effective, 1 fully paid-up equity shares of Rs. 10 each of the Resulting Company shall be issued and allotted to the equity shareholders of the Demerged Company for every 1 equity shares of Rs. 10 each held in the Demerged Company.

- (e) Upon the Scheme becoming effective, the equity shares of the Resulting Company held by the Demerged Company will stand cancelled on or after the Effective Date (as set out in the Scheme) 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.
- (f) All employees of Demerged Company pertaining to the demerged undertaking who are on its payrolls shall become the employees of the Resulting Company without any break or interruption in their services on no less favourable terms (including employee benefits such as provident fund, leave encashment and any other retiral benefits) as applicable to such employees with the Demerged Company and in accordance with applicable law. The Resulting Company further agrees that for the purpose of payment of any retirement benefit/compensation, incentive contractual and statutory benefit, incentive plans, terminal benefits, such immediate uninterrupted past services with Demerged Company, shall also be taken into account and accordingly, shall be reckoned from the date of their appointment with the Demerged Company. In order to give effect to this provision of the Scheme and to carry out or perform all formalities or compliances, the Demerged Company and or the Resulting Company, as the case may be, shall do all such acts and deeds as may be necessary, or execute such contracts, agreements, deeds or other instruments or obtain necessary approvals, permits, rights, entitlements
- (g) Upon the coming into effect of this Scheme, the Resulting Company shall record the assets and liabilities pertaining to the consumer healthcare business of the Demerged Company vested in it pursuant to this Scheme (which cease to be the assets and liabilities of the Demerged Company), at the respective book values thereof, as appearing in the books of the Demerged Company at the close of the day immediately preceding the Effective Date (as set out under the Scheme).

The above are only the salient features of the Scheme. The equity shareholders and unsecured creditors of the Demerged Company are requested to read the entire text of the Scheme in order to get acquainted with the terms and conditions as set out in the Scheme.

#### 21. **Relationship subsisting between the Demerged Company and Resulting Company**

The Resulting Company is a wholly owned subsidiary of the Demerged Company.

- 22. The share entitlement ratio as set out at Clause 3.3.3 of Part III of the Scheme has been approved by the Board of Directors of the Demerged Company and Resulting Company at their meetings held on 10 May 2023 and 24 May 2023 respectively, after taking into consideration the share entitlement ratio report dated 10 May 2023 provided by KPMG Valuation Services LLP ("**Share Entitlement Ratio Report**").
- 23. 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. Further, the Demerged Undertaking i.e., the consumer healthcare undertaking of the Demerged Company is not jointly controlled by any entity which is not part of the Sanofi Group. In view of the above, notification of the Scheme to the Competition Commission of India is exempted under Item 8 of Schedule 1 of the Competition Commission (Procedure in regard to the transaction of business relating to combination) Regulations, 2011, as the demerger proposed in the Scheme involves, an acquisition of shares or voting right or assets, by one person or enterprise, of another person or enterprise within the same group.
- 24. The BSE has issued letter dated 22 September 2023 granting no objection to the filing of the Scheme with the Tribunal. A copy of the letter dated 22 September 2023 issued by the BSE is annexed as **ANNEXURE "6" ("BSE Observation Letter")**.
- 25. The NSE has issued letter dated 22 September 2023 granting no objection to the filing of the Scheme with the Tribunal. A copy of the letter dated 22 September 2023, issued by the NSE is annexed as **ANNEXURE "7". ("NSE Observation Letter")**.
- 26. There are no litigation(s) pending as regards the Resulting Company as on date.
- 27. **Interest of Directors/Key Managerial Personnel ("KMPs") their relatives.**

None of the Directors/KMPs of the Demerged Company and their respective relatives (as defined in the 2013 Act) have any interest in the Scheme except to the extent of their shareholding in the Demerged Company, if any.

None of the Directors of the Resulting Company and their respective relatives (as defined in the 2013 Act) have any interest in the Scheme except to the extent of their shareholding in the Resulting Company, if any.

The Resulting Company is a newly-incorporated Company and has not appointed any KMPs as on date. Accordingly, there are no KMPs of the Resulting Company that may have any interest in the Scheme.

#### 28. **Shareholding Pattern.**

The pre-Scheme and expected post-Scheme shareholding pattern of the Resulting Company is annexed as **Part A of ANNEXURE "8"**, the pre-scheme shareholding pattern of the Demerged Company is annexed as **Part B of ANNEXURE "8"**. Subsequent to the Scheme being made effective, there shall be no change in the aforesaid shareholding pattern of the Demerged Company.

- 29. The effect of the Scheme on the equity shareholders, key managerial personnel(s) and creditors of the Demerged Company and Resulting Company is given in the report adopted by the Board of Directors of each of the aforesaid companies at their respective meeting held on 10 May 2023 and 24 May 2023 pursuant to the provision of Section 232(2)(c) of the 2013 Act and which are annexed hereto and marked as **ANNEXURE "9"** and **ANNEXURE "10"** respectively. In addition, at the meeting of the Audit Committee of the Demerged Company dated 8 May 2023, the committee approved the draft Scheme, inter-alia, taking on record, details of the

cost-benefit analysis and the synergies of the business involved in the Scheme. The report of the audit committee dated 8 May 2023, is annexed hereto and marked as **ANNEXURE "11"**.

Brief details of: (a) the impact of the Scheme on the equity shareholders, creditors and KMPs of the Demerged Company and the Resulting Company (as applicable); (b) synergies of business involved in the Scheme; and (c) cost-benefit analysis of the Scheme, are set out below:

(a) Impact of the Scheme on the equity shareholders, creditors and KMP(s) of each of the Demerged Company and the Resulting Company.

(i) Equity shareholders:

It is clarified that neither the Resulting Company nor the Demerged Company have issued any classes of shares other than equity shares. Accordingly, there are no other classes of shareholders that will be affected by the Scheme.

In relation to the equity shareholders of the Demerged Company, upon the Scheme becoming effective, 1 fully paid-up equity share of Rs. 10 each of the Resulting Company shall be issued and allotted to the equity shareholders of the Demerged Company for every 1 equity share of Rs. 10 each held by the shareholders in the Demerged Company. In addition, the equity shares of Resulting Company held by the Demerged Company will stand cancelled on or after the effective date (as set out in the Scheme) 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.

(ii) KMP(s):

In relation to the Demerged Company, post effectiveness of the Scheme, the KMPs of the Demerged Company will continue as KMPs of the Demerged Company. Accordingly, the Scheme shall not have adverse effect on the employment of such KMP.

[The Resulting Company is a newly-incorporated company and was incorporated on 10 May 2023. As on date, the Resulting Company has not appointed any key managerial personnel. Accordingly, there are no key managerial personnel that may be adversely affected by the Scheme.]

(iii) Creditors:

In relation to the Demerged Company, no rights of the creditors are being affected pursuant to the Scheme. The liability towards the creditors of the Demerged Company are neither being reduced nor being extinguished. The creditors of the Demerged Company would in no way be affected by the Scheme and the Scheme does not provide for any compromise or arrangement with the creditors of the Demerged Company.

In relation to the Resulting Company, there are no borrowings from third parties or the Demerged Company and there are no amounts outstanding as on date. Accordingly, there are no creditors of the Resulting Company that may be affected by the Scheme.

(b) Impact of the Scheme on the revenue-generating capacity of the Demerged Company.

A comparison of the revenue and net-worth of the Demerged Undertaking with total revenue and net-worth of the Demerged Company in the last three financial years is annexed hereto as **ANNEXURE "12"**. In addition, details of the pre-Scheme and the post-Scheme net-worth of the Demerged Company and the Resulting Company are annexed hereto as **ANNEXURE "13"**.

(c) Synergies of business of the entities involved in the Scheme:

The Scheme does not involve merger of the business of the Demerged Company with the Resulting Company but only provides for demerger of the consumer healthcare business of the Demerged Company. Accordingly, there is no synergy of business under the Scheme. The benefits and rationale of the Scheme are set out in paragraph [19], above.

(d) Cost benefit analysis of the Scheme:

Post-effectiveness of the Scheme, the proposed demerger will increase value for the shareholders of the Resulting Company over time as the Resulting Company's share value will rerate in line with its peers in the fast-growing consumer healthcare space. In addition, as set out at paragraph 29(a)(i), above, the shareholders of the Demerged Company will be allotted shares in the Resulting Company (in the ratio 1:1), thus facilitating increased value for the shareholders of the Demerged Company. Therefore while the Scheme includes certain implementation costs, in the long-term such costs will be outweighed by the benefits of the Scheme, on account of several factors, including that the Scheme would separate the pharmaceutical business and the consumer healthcare business and allow potential investors and other stakeholders an option in terms of making a choice for either or both businesses.

### 30. Amount due to the unsecured creditors

- (a) As on 17 August 2023 the amount owed to the unsecured creditors of the Demerged Company is Rs. 2,12,10,73,614
- (b) As on 17 August 2023, there are no Unsecured Creditors in the Resulting Company.
- (c) As on 17 August, 2023, there are no secured Creditors in either of the Demerged Company and Resulting Company.

### 31. Approvals and intimation in relation to the Scheme.

- (a) The proposed Scheme was placed before the Independent Directors by way of a circular resolution dated 10 May 2023 and the Audit Committee of the Demerged Company at the Audit Committee held on 8 May 2023. The Independent Directors and the Audit Committee of the Demerged Company recommended the Scheme after considering the various documents, certificates, reports including the Share Entitlement Ratio Report containing the share entitlement ratio and fairness opinion dated 10 May 2023, issued by BoFA Securities India Limited.
- (b) The Directors of the Demerged Company have approved the Scheme at their meeting held on 10 May 2023.
- (c) The Directors of the Resulting Company have approved the Scheme at their meeting held on 24 May 2023.
- (d) The Demerged Company has not received any complaint on the Scheme from any person/entity. Copy of the Complaint Report as submitted by the Demerged Company with the BSE and NSE are annexed hereto as **ANNEXURE "14"**.
- (e) A copy of the Order and the Scheme has been filed by the Demerged Company and Resulting Company with the Registrar of Companies, Mumbai.
- (f) The Scheme is subject to and approval by the requisite majority of the shareholders and creditors (as applicable) of the Demerged Company and the Resulting Company, in terms of the applicable provisions of the 2013 Act and the applicable CAA Rules and regulations and circulars issued by the Securities and Exchange Board of India
- (g) The Tribunal by the Order has granted dispensation from holding of the meeting of the equity shareholders of the Resulting Company, to consider the Scheme.
- (h) Information pertaining to the Resulting Company involved in the Scheme in the format prescribed for abridged prospectus, as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 is annexed as **ANNEXURE "15"**.
- (i) BoFA Securities India Limited, an independent SEBI registered merchant banker, has issued a certificate certifying the accuracy and adequacy of the information in the above stated abridged prospectus.

### 32. Pending investigation Proceedings

- (a) No investigation proceedings have been instituted and/or are pending against the Demerged Company or Resulting Company under the 2013 Act.
- (b) Details of all on-going adjudication and recovery proceedings, prosecution initiated and other enforcement action against the Demerged Company, its promoters and directors are annexed as **ANNEXURE "16"**. There are no such proceedings pending as on the date hereof against the Resulting Company.
- (c) As on the date of this statement, there are no winding up proceedings pending against the Demerged Company or Resulting Company and no proceedings under the Insolvency and Bankruptcy Code, 2016 are pending against the Demerged Company or Resulting Company.

### 33. Miscellaneous

The Scheme does not provide for any corporate debt restructuring in either of the Demerged Company and Resulting Company or reduction in the paid-up share capital of the Demerged Company or the Resulting Company.

### 34. Inspection of the Documents

A copy of this Notice, Statement and the Annexures are available on the website of the Demerged Company at [www.sanofiindia ltd.com](http://www.sanofiindia ltd.com), the website of NSDL [www.evoting.nsd.com](http://www.evoting.nsd.com), the website of the Stock Exchanges where the equity shares of the Demerged Company are listed, i.e., BSE Limited and the National Stock Exchange of India Limited viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in). In addition to the above documents annexed hereto, the following documents will be available for inspection and for taking copies thereof, by the equity shareholders and unsecured creditors of the Demerged Company at its Registered Office and in Investors section of the website of the Demerged Company:-

- (a) Copy of the Company Scheme Application No. (CAA) 236/MB/2023 and Order of the Tribunal;
- (b) Memorandum and Articles of Association of the Companies;

- (c) Certificate issued by the statutory auditor of the Demerged Company stating that the accounting treatment proposed in the Scheme in the books of accounts of the Demerged Company is in conformity and in accordance with the accounting standards prescribed under Section 133 of the 2013 Act;
  - (d) Certificate issued by the statutory auditor of the Resulting Company stating that the accounting treatment proposed in the Scheme in the books of accounts of the Resulting Company are in conformity and in accordance with the accounting standards prescribed under Section 133 of the 2013 Act.
  - (e) Certificate dated 10 November 2023 issued by BoFA Securities India Limited, an independent SEBI registered merchant banker certifying the accuracy and adequacy of information in the abridged prospectus pertaining to the Resulting Company.
35. The documents as annexed hereto are also available on the website of the Demerged Company viz "[www.sanofi.in](http://www.sanofi.in)".

Sd/-

**Mr. Virendra Singh, IRS (Retd.)**

(Chairperson appointed for the meeting of the unsecured creditors)

Place : Mumbai

Dated : 11 November 2023

**SCHEME OF ARRANGEMENT**

**AMONG**

**SANOFI INDIA LIMITED**

as the Demerged Company

**AND**

**SANOFI CONSUMER HEALTHCARE INDIA LIMITED**

as the Resulting Company

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**(UNDER CHAPTER XV OF THE COMPANIES ACT, 2013)**



**Part I: Introductions and Definitions**

**1. OVERVIEW AND OBJECTS OF THIS SCHEME**

**1.1 Overview**

- 1.1.1 Sanofi India Limited is a company incorporated under the Companies Act, 1956 bearing corporate identification number L24239MH1956PLC009794 and having its registered office at Sanofi House, CTS No.117-B, L&T Business Park Saki Vihar Road, Powai, Mumbai, Maharashtra, India - 400072 (“**Demerged Company**”). The Demerged Company is primarily engaged in the business of manufacturing, producing, processing, marketing, formulating, buying, trading, storing, packing, selling, distributing, importing, exporting, providing consultancy and otherwise dealing in all varieties of pharmaceuticals including drugs, chemicals, medicinal products and antibiotic products. The equity shares of the Demerged Company are listed on BSE Limited (“**BSE**”) and the National Stock Exchange of India Limited (“**NSE**”).
- 1.1.2 Sanofi Consumer Healthcare India Limited, is a company incorporated under the Companies Act, 2013 bearing corporate identification number U21002MH2023PLC402652 and having its registered office at Sanofi House, CTS No.117-B, L&T Business Park Saki Vihar Road, Powai, Mumbai, Maharashtra, India - 400072 (“**Resulting Company**”). The Resulting Company has been incorporated to carry on the business of manufacturing, producing, processing, marketing, formulating, buying, trading, storing, packing, selling, distributing, importing, exporting, providing consultancy and otherwise dealing in all kinds of varieties of pharmaceuticals, especially consumer healthcare products including drugs, chemicals, medicinal products and antibiotic products.
- 1.1.3 This Scheme seeks to demerge the Demerged Undertaking (*as defined below*) into the Resulting Company.
- 1.1.4 The Residual Undertaking (*as defined below*), after the demerger of the Demerged Undertaking shall be retained, managed and operated by the Demerged Company.
- 1.1.5 The arrangement under this Scheme will be effected under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules formed thereunder. The demerger of the Demerged Undertaking shall be in compliance with the provisions of Section 2(19AA) of the Income Tax Act, 1961.
- 1.1.6 The demerger of the Demerged Undertaking will be effective upon the satisfaction of the conditions precedent set out in Clause 5.1 of Part V this Scheme.
- 1.1.7 Upon the demerger of the Demerged Undertaking into the Resulting Company, pursuant to this Scheme becoming effective on the Effective Date (*as defined below*), the Resulting Company will issue equity shares to the shareholders of the Demerged Company as of the Record Date (*as defined below*), in accordance with the Demerger Share Entitlement Ratio (*as defined below*) approved by the Board of Directors of each of the Demerged Company and the Resulting Company as set out in this Scheme.
- 1.1.8 This Scheme is segregated into 5 parts:
- (i) Part-I sets forth the overview and objects of this Scheme;
  - (ii) Part-II sets forth the capital structure of the Demerged Company and the Resulting Company;



- (iii) Part-III deals with the demerger of the Demerged Undertaking into and with the Resulting Company, in accordance with Sections 230 to 232 of the Companies Act, 2013;
- (iv) Part-IV deals with the Residual Undertaking of the Demerged Company; and
- (v) Part-V deals with the general terms and conditions applicable and sets forth certain additional arrangements that form a part of this Scheme.

## 1.2 Brief overview of the Companies

### 1.2.1 Sanofi India Limited

- (i) The Demerged Company is a public limited company incorporated under the Companies Act, 1956 bearing corporate identification number L24239MH1956PLC009794 and has its registered office at Sanofi House, CTS No.117-B, L&T Business Park Saki Vihar Road, Powai, Mumbai, Maharashtra, India – 400072.
- (ii) The objects of the Demerged Company as provided in its memorandum of association are, inter alia:
  - (a) to carry on business in India as manufacturers, producers and refiners of drugs, medicines and chemical, pharmaceutical and antibiotic products and preparations of all kinds and all dyes, dyestuffs, paints, varnishes, colours and industrial, natural and chemical fertilisers of every description and tanning materials and ingredients of every kind and other articles, compounds, ingredients and other things of any description whether analogous to the foregoing or not;
  - (b) to carry on business in India as importers and dealers in, wholesale and retail and distribution of drugs, medicines and chemical, pharmaceutical and antibiotic products and preparations of all kinds and all dyes, dyestuffs, paints, varnishes, colours and industrial, natural and chemical fertilisers of every description and tanning materials and ingredients of every kind and all other articles of any description as the aforesaid;
  - (c) to buy, sell, deal in all kinds of machinery, plant and apparatus, utensils, articles and substances and things commonly used or capable of being used in connection with the materials and things to be manufactured, refined, dealt with, imported, distributed or sold by the company:
  - (d) to carry on any other trade or business whatsoever which can, in the opinion of the Company, be advantageously and conveniently carried on by the Company by way of extension of or in connection with any such business as aforesaid or is calculated directly or indirectly, to develop any branch of the Company's business or to increase the value of or turn to account any of the Company's assets, property or rights;
  - (e) to apply for purchase or otherwise acquire any interest in any recipes, patents, trademarks, licences, concessions or the like conferring exclusive or non-exclusive or limited right to use the same or any secret or information as to any invention in relation to the pro-cessing, manufacture, treatment, storage, application and use of drugs, medicines and chemical, pharmaceutical and antibiotic products and preparations of all kinds, dyes, dyestuffs, paints, varnishes, colours, fertilisers and tanning materials and of any materials or



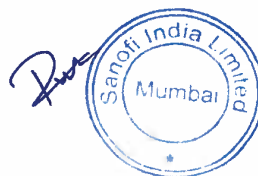


compounds or of any apparatus used in such processing, manufacture; treatment, storage, application and use or generally any inventions which may seem capable of being used for the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop, grant licences in respect thereof or otherwise turn to account the properties, rights and information so acquired,

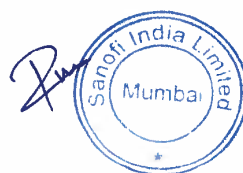
- (f) to acquire, buy, purchase, lease or otherwise acquire, hold, sell, ex-change, grant, dispose of and deal in lands, buildings, offices, shops, warehouses, laboratories, garages and premises of every description. mortgages, charges, grants, concessions, leases, contracts, policies, book debts and claims and any interest in any moveable or im-moveable property and any claims against such property; and
- (g) to adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, by circulars, posters, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations (including donations to any fund for charitable or public purposes).

#### 1.2.2 Sanofi Consumer Healthcare India Limited

- (i) The Resulting Company is a deemed public limited company incorporated under the Companies Act, 2013 bearing corporate identification number U21002MH2023PLC402652 and has its registered office at Sanofi House, CTS No.117-B, L&T Business Park Saki Vihar Road, Powai, Mumbai, Maharashtra, India – 400072.
- (ii) The objects of the Resulting Company as provided in its memorandum of association are, inter alia:
  - (a) to carry on the business of manufacturing, producing, processing, marketing, formulating, buying, trading, storing, packing, selling, distributing, importing, exporting, providing consultancy and otherwise dealing in all kinds of varieties of pharmaceuticals, especially consumer healthcare products, including: (i) basic drugs; (ii) drug intermediates; (iii) chemical, medical, biological and electrolytic drugs, ingredients, medicare, preparations and compositions; (iv) medicines, preparations and formulations in all or any forms, including formulations in which various drugs are processed; (v) patents, medicines, drugs enzymes, fermentations and genetic products, vitamin and vitamins products tonic, hormones and hormone products; (vi) medical products all raw materials for and all derivatives, extracts, mixtures, powders, granules, compounds, syrups, by-products; (vii) bulk packaging, capsules, tablets, injectibles, vials, ointments, sprays, other dosage forms and packaging of, the aforesaid items; (viii) dyes, paints, varnishes, colours, industrial, natural and chemical fertilisers of every description; (ix) acid tanning materials; (x) over the counter medicines / products; and (xi) and ingredients of every kind and other articles, compounds, ingredients and products or other things of any description whether analogous to the foregoing or not;
  - (b) to buy, sell, let, hire, repair, alter or otherwise deal in all kinds of machinery, plant and apparatus, utensils, articles, component parts, accessories and fittings and substances and things commonly used or capable of being used in connection with the materials and things to be manufactured, refined, dealt with, imported, distributed or sold by the company;



- (c) to carry on any other trade or business whatsoever which can, in the opinion of the company, be advantageously and conveniently carried on by the company by way of extension of or in connection with the consumer healthcare business or is calculated directly or indirectly to develop any branch of the company's business or to increase the value of or turn to account any of the company's assets, property or rights;
- (d) to undertake all types of selling and purchasing activities directly or indirectly and to act as exporters, importers, general order suppliers, manufacturers, representative, purchasing and selling agents, advisors, accredited agents, factors, brokers, correspondents, stockiest, distributors, agents and representatives of consumer healthcare products and to act as service agent for providing services, after sales and other technical services, to carry on business as marketing, technical consultants both in internal and external market, to develop network;
- (e) to carry on the business of consultants and / or advisors in connection with manufacture, use, purchase and sales of all kinds of pharmaceutical products that may appear conducive to the business of the company;
- (f) to procure the incorporation, registration or other recognition of the company in any country, state or place and to establish and regulate agencies for the purposes of the company's business;
- (g) to enter into any negotiation, contract or arrangement with any government or authority, supreme, municipal, local or otherwise that may seem conducive to the company's objects and to obtain from any such government or authority any rights, privileges and concessions which the company may think it desirable to obtain and to carry out, exercise, perform and comply with any such contract, arrangement, rights, privileges and concession;
- (h) to enter into any negotiation, collaboration, contract or agreement with firms, companies or individuals, whether foreign or Indian and finalise agreements for the import, manufacture, distribution or such other activity which may promote may appear conducive to the business of the company;
- (i) to apply for, purchase or otherwise acquire, protect or renew, in any part of the world, any interest in any recipes, patents, trademarks, licences, concessions or the like conferring exclusive or non-exclusive or limited right to use the same or any secret or information as to any invention in relation to the processing, manufacture, treatment, storage, application and use of drugs, medicines or any invention which may seem capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit the company and to use, exercise, develop, or grant license in respect of, or otherwise turn to account the property, rights, or information so acquired, and to expend moneys in experimenting upon testing or improving any such patents, inventions, or rights, subject to the law in force;
- (j) to apply for and acquire permits, licenses and quota rights from the Government of India or from state governments or from foreign governments to import and export plant, equipment, spare parts thereof, machinery, raw materials, intermediates, finished products and processing materials connected with the manufacturing and selling of the products of the company;



- (k) to establish, maintain or conduct research laboratories and experimental workshops for scientific and technical research and experiments and to undertake scientific and technical researches, experiments, and tests of all kinds and to promote studies and researches, both scientific and technical, investigations and inventions by providing, subsidizing, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing, subsidizing, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing for the remuneration of scientific or technical professors or teachers and by providing for the award of exhibitions, scholarships, prizes and grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations of any kind that may be considered likely to assist any of the business which the company is authorized;
- (l) to acquire, buy, purchase, lease or otherwise acquire, hold, sell, exchange, grant, demolish, dispose of and deal in lands, buildings, offices, shops, warehouses, laboratories, garages and premises of every description, mortgages, charges, grants, concessions, leases, contracts, policies, book debts and claims and any interest in any moveable or immoveable property and any claims against such property;
- (m) to construct, maintain, improve, develop, work, manage, carry out or control, any offices, buildings, warehouses, factories, laboratories, garages, shops, stores and erections of every description and any roads, ways, tramways, railways, branches or sidings, bridges, reservoirs, water courses, wharves and other works and conveniences which the company may think directly or indirectly conducive to the objects or interests of the company and to contribute or otherwise assist or take part in the construction, improvement, maintenance, working, management, or development or carrying out or control thereof;
- (n) to draw, make, discharge, endorse, accept, discount, execute and issue bills of lading, rates, receipts, railway receipts, certificate and documents of title, government and other securities, other negotiable or transferable instruments or securities;
- (o) to open current, fixed, overdraft or other accounts with any bank or financial institution and to pay into and to draw moneys from such accounts;
- (p) to invest and deal with the moneys of the company not immediately required upon such securities and in such manner as may from time to time be determined and particularly by way of advance or deposit with or without interest to or with any bank, corporation, person or persons and to make, draw, accept, endorse, negotiate, buy, sell, discount and otherwise deal in bills, notes, warrants, coupons and other negotiable and transferable instruments, securities or documents, whether of any government or any public body, corporation or private persons or person;
- (q) subject to applicable laws, to lend money either with or without security and generally to such persons on such terms as may seem expedient and in particular to customers and others having dealings with the company and to guarantee the performance of any contracts by any such persons; provided that the company is not to carry on the business of banking as defined by the Banking Companies Act, 1949;



- (r) subject to applicable laws, to borrow or raise money or to receive money on deposit and interest, or otherwise and from banks, financial corporations, term lending institutions, persons and corporations in India or outside and in such manner as the company may think fit for the purpose of financing the business of the company and in particular by the issue or sale on any bonds, mortgage of debentures or debenture-stock, perpetual or otherwise, including debentures or debentures stock, convertible into shares of this or any other company, or perpetual annuities; and in securities of any such money so borrowed, raised or received, to mortgage or charge the whole or any part of the property, assignment or otherwise, and to transfer of sale and other powers as may deem expedient, and to purchase, redeem or pay off any such securities;
- (s) to purchase or otherwise acquire and undertake the whole or any part of the business, property, rights and liabilities, of any person, firm, company or body corporate carrying on any business which the company is authorised to carry on, or possessed of property or rights suitable for any of the purposes of the company and to purchase acquire sell and deal in property, shares, debentures of any such person, firm, company or body corporate and to conduct, make or carry into effect any arrangements in regard to the winding up of the business of any such person, firm or company;
- (t) to enter into partnership or into any arrangement for sharing profits, amalgamation, union of interests, co-operation, joint adventure, reciprocal concessions or otherwise with any person or company carrying on, or engaged in or about to carry on or engage in, any business or transaction which the company is authorised to carry on or engage in or to enter into and conduct any business agreement, undertaking or transaction with any government, person, firm or corporation which may be advisable or seem capable of being carried on or conducted so as directly or indirectly to benefit the company and to lend money, to guarantee the contracts of or otherwise assist any such person, firm or company and to place, take or otherwise acquire and hold shares or securities of any such person, firm or company, and to sell, hold, re-issue, with or without guarantee or otherwise deal with the same;
- (u) to obtain technical information, knowhow and expert advice or financial accommodation for the production, manufacture or marketing of any products herein before mentioned and to pay to or to the order of such firm, company, body corporate, government authority or person any fee, royalty, shares, bonus, remuneration and other wise recompense them in any other manner for the services rendered by them;
- (v) to promote and form and to be interested in and take hold and dispose of shares in other companies for all or any of the objects mentioned in the memorandum and to subsidise or otherwise assist any such company;
- (w) to assist any company financially or otherwise by issuing or subscribing for or guaranteeing the subscription and issue of capital, shares or other securities and to take, hold and deal in shares and securities of any company, notwithstanding there may be any liabilities thereon;
- (x) to pay for any properties, rights or privileges acquired by the company either in shares of the company or partly in shares and partly in cash or otherwise and to give shares of the company in exchange for shares of any other company;



- (y) to sell, lease, mortgage, surrender, abandon and in any other manner deal with or dispose of the undertaking or property of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures and other securities of any other company having objects altogether or in part similar to those of the company;
- (z) to sell, lease, mortgage, surrender, abandon and in any other manner deal with or dispose of the undertaking or property of the company or any part thereof for such consideration as the company may think fit, and in particular for shares, debentures and other securities of any other company having objects altogether or in part similar to those of the company;
- (aa) to sell the undertaking and all or any of the property of the company for cash or for stock, shares, or securities of any other company or for other considerations;
- (bb) to subscribe to or otherwise aid benevolent, charitable, national or other institutions or objects of a public character or which have any moral or other claim to support or aid by the company by reason of the locality of its operations or otherwise;
- (cc) to undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspaper, etc., or for organizing lectures, conferences or seminars, workshops, training program etc., likely to advance the aforesaid objects of for giving merit awards, scholarships, loans or any other assistance to institutes, deserving students or other scholars or consultants or person to enable them to pursue their studies or pursuits or research and for establishing, conducting or assisting any institution, fund, trust having any one of the aforesaid objects as one of its objects;
- (dd) to create any depreciation fund, reserve fund, sinking fund, insurance fund or any other special fund whether for depreciation or for repairing, improving, extending or maintaining the business or any of the property of the Company, or for any other purposes conducive to the interests of the company;
- (ee) to provide for the welfare of any employee or employees of the company and the families or the dependents or connections of such persons by grants of money, pensions, allowances, bonus or other payment; or by creating and from time to time subscribing to provident institutions or associations, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the company shall think fit and otherwise to assist or guarantee money to any charitable or benevolent institution or objects which shall have any moral or other claim to support or aid by the company either by reason of locality of operation or of utility to the company or its employees;
- (ff) subject to applicable law, to place to reserve or to distribute as dividend or bonus among the members, or otherwise to apply as the company may from time to time think fit, any moneys received by way of premium on shares issued at a premium by the company and moneys received in respect of dividends accrued on forfeited shares or from unclaimed dividends;
- (gg) distribute any of the property of the company amongst the members in specie or kind;





- (hh) to adopt such means of making known the products of the company as may seem expedient and in particular by advertising in the press, by circulars, posters, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards, and donations (including donations to any fund for charitable or public purposes);
- (ii) to undertake and execute any trusts the undertaking whereof may seem desirable either gratuitously or otherwise and to transact and carry on all kinds of agency business;
- (jj) to initiate or defend, including by way of arbitration, disputes present or future between the company and any other company, firm or individual and to make representations to the relevant authority to an arbitrator in India or abroad and either in accordance with Indian or any other foreign system of law; and
- (kk) to do all or any of the above things and all such other things as are incidental or may be thought conducive to the attainment of the above objects or any of them in any part of India or elsewhere and as principals, agents, contractors, trustees or otherwise.

### 1.3 Objects of this Scheme

1.3.1 The proposed demerger would be in the best interests of the Demerged Company, the Resulting Company and their respective shareholders and creditors as the proposed demerger will yield advantages of increased business synergies and unlocking of shareholder value, in the manner set out below:

- (a) separation of the pharmaceutical and consumer healthcare businesses of the Company will allow the Demerged Company and the Resulting Company to have independent and focused management as well as independently pursue different opportunities and strategies for the growth of each respective businesses aligned to specific market dynamics;
- (b) the proposed demerger under the Scheme will enable a different operating model for the consumer healthcare business under the Resulting Company specific and fit for purpose for a fast-moving consumer healthcare company, which would lead to a greater ability to operate independently and positively shape the consumer healthcare environment; the requirements of the businesses of the Demerging Company and the Resulting Company, including in terms of operations, nature of risks, competitive advantages, strategies and regulatory compliances are different and the demerger will allow for enhancement of the business models of both the Demerging Company and the Resulting Company;
- (c) the shareholders, investor, analyst community and other stakeholders will have greater understanding and visibility of both the pharmaceutical and consumer healthcare businesses;
- (d) the proposed demerger will not only facilitate pursuit of scale and independent growth plans but also more focused management and stronger leverage of specific global resources within the group and flexibility in terms of providing liquidity for shareholders (following the listing of the shares of the Resulting Company).



- (e) the proposed demerger will de-risk both the businesses from each other and allow potential investors and other stakeholders the option of investing in both businesses; and
- (f) the proposed demerger will unlock value for the shareholders of the Demerged Company.

#### 1.4 Definitions

In this Scheme, unless repugnant to the subject or context or meaning thereof, the following expressions shall have the meanings as set out herein below:

- 1.4.1 “**Appointed Date**” means the Effective Date or such date as determined by the NCLT;
- 1.4.2 “**Board of Directors**” in relation to the Demerged Company and the Resulting Company, means their respective board of directors and, unless it is repugnant to the context or otherwise, includes any committee of directors or any person authorised by the board of directors or by such committee of directors;
- 1.4.3 “**BSE**” means BSE Limited;
- 1.4.4 “**CIN**” means Company Identification Number;
- 1.4.5 “**Companies Act**” means the Companies Act, 2013 as notified, clarified and/or modified by rules and notifications issued by the Ministry of Corporate Affairs, from time to time;
- 1.4.6 “**Demerged Company**” means Sanofi India Limited is a company incorporated under the Companies Act, 1956 bearing corporate identification number L24239MH1956PLC009794 and having its registered office at Sanofi House, CTS No.117-B, L&T Business Park Saki Vihar Road, Powai, Mumbai, Maharashtra, India – 400072.
- 1.4.7 “**Demerger Share Entitlement Ratio**” has the meaning ascribed to such term in Clause 3.3.3;
- 1.4.8 “**Demerged Transferred Employee**” means (a) the employees of the Demerged Undertaking; and (b) certain other employees which will be assigned to the operations of the Demerged Undertaking, pursuant to the proposed demerger ;
- 1.4.9 “**Demerged Undertaking**” means, subject to any assets or liabilities transferred in the ordinary course of business (including those appearing in the reference balance sheet set out at **Schedule 1**), the consumer healthcare business undertaking of the Demerged Company. Without prejudice to the generality of the foregoing, the Demerged Undertaking shall comprise of:
  - (i) all the licences, approvals, permits and marketing authorisations and any and all of its licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on the Demerged Undertaking or in connection therewith and all existing files and dossiers (in any form and on any support) related to or supporting such licenses or marketing authorisations, including pending applications), permissions, approvals, consents, exemptions, registrations, no-objection certificates, quotas, rights, entitlements, certificates, tenancies, accumulated balances of credits under any tax laws for the time being in force, benefit of any exemptions, privileges and benefits of all contracts, agreements and all other rights including lease rights, memberships, powers and facilities of every kind and description whatsoever pertaining to the Demerged Undertaking of the Demerged Company;



- (ii) any and all assets and property relating to or arising from the activities and operations of the Demerged Undertaking (whether movable or immovable, real or personal, corporeal or incorporeal, present, future, contingent, tangible or intangible), including but not limited to inventory (including all raw material inventory, active pharmaceutical ingredients (APIs), work-in-process inventory, goods in transit and finished products inventory), office buildings, plant and machinery, capital work-in-progress, furniture, fixtures, office equipment, computer software and licenses, appliances, accessories, vehicles, cash and bank balance, current assets, sundry debtors, all outstanding loans, deposits, provisions, advances, receivables, funds, leases of all kinds of property, licences, tenancy rights, right of way, premises, hire purchase and lease arrangements, benefits of agreements, contracts and arrangements, insurance policies (other than those taken for the Demerged Company as a whole or without reference to specific assets relating to the Demerged Undertaking), authorisations, registrations, quotas, permits, allotments, all kinds of approvals, whether statutory or otherwise including by any central or state government or other local authority, consents, privileges, liberties, advantages, easements, exemptions, incentives receivable under applicable law or in terms of certain schemes or policies of the Government of India or any State Government, including in relation to any taxes and all the rights, title, interests, benefits, entitlement and advantages, contingent rights or benefits belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by Demerged Company with respect to the Demerged Undertaking and all other interests in connection with or relating to the Demerged Undertaking, continuing rights, title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold, relating to the Demerged Undertaking, plant, machinery, equipment, whether leased or otherwise;
- (iii) all debts, liabilities including contingent liabilities, present or future, relating to, or arising out of the activities or operations of the Demerged Undertaking, including specific loans and borrowings (if any), term loans from banks and financial institutions (if any), such liabilities raised, incurred and utilised solely for the activities or business or operation of the Demerged Undertaking, bank overdrafts (if any), working capital loans and liabilities, amounts due to small scale industrial undertakings, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability), pertaining to the Demerged Undertaking;
- (iv) all deposits and balances with government, quasi-government, local and other authorities and bodies, customers and other persons, earnest monies and/or security deposits paid or received by the Demerged Company directly or indirectly in connection with the Demerged Undertaking;
- (v) liabilities other than those referred to above, being the amounts of general or multipurpose borrowings of the Demerged Undertaking, if any, allocated to the Demerged Undertaking, in the same proportion which the value of the assets transferred under the Scheme bear to the total value of the assets of Demerged Company immediately before giving effect to the Scheme;
- (vi) any and all investments of all kinds (including shares whether in dematerialised or physical form, scripts, stocks, bonds, debenture stock, units, pass through certificates or security receipts) pertaining to the Demerged Undertaking including the investments, all cash balances with the other banks, money at call and short notice, loans, advances,





contingent rights or benefits, securitised assets, receivables, benefits of assets or properties or other interest held in trust, benefit of any security arrangements, authority, allotments, approvals, reversions, buildings, structures and offices held for the benefit of or enjoyed by the Demerged Undertaking or to which the Demerged Undertaking may be entitled;

- (vii) any and all permits, approvals, authorisations, rights to use and avail of telephones, telexes, facsimiles, e mail, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or in relation to the Demerged Undertaking;
- (viii) all ongoing clinical studies and other development projects exclusively or primarily relating to the Demerged Undertaking;
- (ix) all records relating to the Demerged Undertaking on and from the Effective Date, including without limitation all current and historical books, records, reports and other documents and information that pertain to business plans, budgets, financial and accounting data, brand insights and research, intellectual property, suppliers, manufacturing, customers, research and development of the Demerged Undertaking's products, devices and services, invoices, marketing and advertising operations, policies, procedures, techniques, systems, employee handbooks or manuals, training materials, operating manuals and documentation, and production manuals and documentation, in any form and on any support;
- (x) the Demerged Transferred Employees, including all staff, workmen and employees of Demerged Company employed in connection with or proposed to be reassigned to a position in relation to the Demerged Undertaking, including gratuity, employee insurance, provident fund contribution, superannuation benefits, any other liabilities, employee welfare benefits and applicable collective bargaining agreements associated with such Demerged Transferred Employees, as on the Effective Date of the Scheme and including those employed at its offices and branches;
- (xi) all insurance policies, whether obtained in relation to the assets, directors, employees or operations of the Demerged Undertaking, by the Demerged Company and updated to include the Resulting Entity;
- (xii) all registrations, trademarks, trade names, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names exclusively used by or held for use by the Demerged Undertaking of the Demerged Company; and
- (xiii) all contracts, agreements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, service agreements, sales orders, purchase orders or other instruments of whatsoever nature to which the Demerged Company is a party, exclusively relating to the Demerged Undertaking;

it being clarified that the Demerged Undertaking shall not include any employees, assets, liabilities, rights or obligations belonging to and forming part of the Residual Undertaking. Any question that may arise as to whether a specified asset, liability, employee or other action, matter or thing forms part of the Demerged Undertaking or the Residual Undertaking shall be



resolved by mutual agreement between the Board of Directors of each of the Demerged Company and the Resulting Company;

- 1.4.10 **“Effective Date”** under the Scheme shall be in accordance with Clause 5.1 of the Scheme. References in this Scheme to “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme becomes effective” shall mean the Effective Date;
- 1.4.11 **“IT Act”** means the Income Tax Act, 1961 the rules made thereunder and will include any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force;
- 1.4.12 **“NCLT”** means the Regional Bench of the National Company Law Tribunal at Mumbai, Maharashtra having jurisdiction over such companies for the purposes of this Scheme;
- 1.4.13 **“NSE”** means National Stock Exchange of India Limited;
- 1.4.14 **“Record Date”** means, in relation to the demerger of the Demerged Undertaking, the date to be fixed by the Board of Directors of the Demerged Company and the Resulting Company, for the purpose of issue of shares of the Resulting Company to the shareholders of the Demerged Company pursuant to this Scheme;
- 1.4.15 **“Registrar of Companies”** means the Registrar of Companies, Mumbai at Maharashtra;
- 1.4.16 **“Residual Undertaking”** means all the undertakings, businesses, activities and operations of the Demerged Company including without limitation the general medicine business, the medical services business and the hospital business, the factory situated at L-121, Verna Industrial Estate, Verna Salcete Goa, Salcete, Goa – 403722 (including those set out in the reference balance sheet set out at **Schedule 2**) other than the Demerged Undertaking;
- 1.4.17 **“Resulting Company”** means Sanofi Consumer Healthcare India Limited, a company incorporated under the Companies Act bearing corporate identification number U21002MH2023PLC402652, having its registered office at Sanofi House, CTS No.117-B, L&T Business Park Saki Vihar Road, Powai, Mumbai, Maharashtra, India – 400072;
- 1.4.18 **“Scheme”** means this Scheme of Arrangement for demerger pursuant to Chapter XV and other relevant provisions of the Companies Act, with such modifications and amendments as may be made from time to time, with the appropriate approvals and sanctions of the NCLT and other relevant regulatory authorities including without limitation the Securities and Exchange Board of India, as may be required under the Companies Act and under all other applicable laws;
- 1.4.19 **“SEBI”** means the Securities Exchange Board of India;
- 1.4.20 **“SEBI Circular”** means circular no. SEBI/H0/ CFD/DIL1 /CIR/P/2021/0000000665 dated November 23, 2021 issued by SEBI or any other circulars issued by SEBI applicable to schemes of arrangement from time to time;
- 1.4.21 **“Stock Exchanges”** means BSE Limited and National Stock Exchange of India Limited; and
- 1.4.22 **“Tax”** means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, minimum alternate tax, goods and services tax or otherwise or attributable directly or primarily to Demerged Company and Resulting Company and all penalties, charges, costs and interest relating thereto.



## 1.5 Interpretation

1.5.1 Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Companies Act, the Banking Regulation Act, 1949, the IT Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.

1.5.2 In this Scheme, unless the context otherwise requires:

- (i) references to “persons” shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- (ii) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (iii) references to one gender includes all genders;
- (iv) words in the singular shall include the plural and vice versa; and
- (v) percentages have been rounded off up to two decimal places.

1.5.3 Any references to sections of the Companies Act, 1956 shall be deemed to include references to the equivalent provisions of the Companies Act if notified.

1.6 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. In view of the above, notification of the Scheme to the Competition Commission of India is exempted under Item 8 of Schedule 1 of the Competition Commission (Procedure in regard to the Transaction of Business relating to Combination) Regulations, 2011, as the demerger proposed in the Scheme involves, an acquisition of shares or voting right or assets, by one person or enterprise, of another person or enterprise within the same group.



<b>Part II: Capital Structure</b>
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**2. Capital Structure**

2.1 The capital structure of the Demerged Company as on 10 May 2023 is as under:

Share Capital	Amount in Rs.
<b>Authorised Capital</b>	
23,500,000 equity shares of Rs. 10 each.	235,000,000.
<b>Total</b>	<b>235,000,000.</b>
<b>Issued, Subscribed and Paid-up Share Capital *</b>	
23,030,622 equity shares of Rs. 10 each.	230,306,220.
<b>Total</b>	<b>230,306,220.</b>

2.2 The capital structure of Resulting Company as on 10 May 2023 is as under:

Share Capital	Amount in Rs.
<b>Authorised Capital</b>	
2,35,00,000 equity shares of Rs. 10 each	23,50,00,000
<b>Total</b>	<b>23,50,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
20,00,000 equity shares of Rs. 10 each	2,00,00,000
<b>Total</b>	<b>2,00,00,000</b>

2.3 The Resulting Company is a wholly owned subsidiary of the Demerged Company and 6 shares are held by the nominees of the Demerged Company in order to satisfy the requirement of the Companies Act, as set out in the table below.

Nominee	Share Capital held by the nominees of the Demerged Company	Amount in Rs.
Mr. Surendra Agarwal as nominee of Sanofi India Limited	1	10



Nominee	Share Capital held by the nominees of the Demerged Company	Amount in Rs.
Ms. Vinita Patil as nominee of Sanofi India Limited	1	10
Mr. Somak Ghosh as nominee of Sanofi India Limited	1	10
Ms. Jagruti Kapadane as nominee of Sanofi India Limited	1	10
Mr. Rupendra Sachdev as nominee of Sanofi India Limited	1	10
Mr. Chandukumar Parmar as nominee of Sanofi India Limited.	1	10
	<b>Total</b>	<b>60</b>

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**Part III: Demerger of the Demerged Undertaking**

- 3. DEMERGER OF THE DEMERGED UNDERTAKING**
- 3.1 Transfer and vesting of the Demerged Undertaking from the Demerged Company to the Resulting Company**
- 3.1.1 Upon this Scheme becoming effective, all the assets and liabilities and the entire business of the Demerged Undertaking of the Demerged Company shall stand transferred to and vest in the Resulting Company, as a going concern, without any further act or deed and shall be demerged from the Demerged Company together with all its properties, assets, rights, benefits and interest therein, subject to the provisions of this Scheme, in accordance with Chapter XV of the Companies Act and all applicable provisions of law if any, in accordance with the provisions contained herein and related provisions contained in various other taxation laws in force in India on the Effective Date including without limitation in relation to goods and services tax, customs duty, excise duty, CENVAT credit or value added tax. In addition, for the avoidance of doubt, the Residual Undertaking and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.
- 3.1.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective:
- (i) All assets of the Demerged Company pertaining to the Demerged Undertaking that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery, or by vesting and recordal including plant, machinery and equipments, pursuant to this Scheme, shall stand transferred to and vested in in and/or be deemed to be transferred to and vested in the Resulting Company wherever located and shall become the property and an integral part of the Resulting Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- (ii) All other movable properties of the Demerged Company pertaining to the Demerged Undertaking, including tax refunds with the government as applicable, investments in shares and any other securities, sundry debtors, future receivables, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Resulting Company and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. It is hereby clarified that investments, if any, made by the Demerged Company and pertaining to the Demerged Undertaking and all the rights, title and interests of the Demerged Company pertaining to the Demerged Undertaking in any leasehold properties shall, pursuant to Section 232 of the Companies Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in and/or be deemed to have been transferred to and vested in the Resulting Company and/or be deemed to be demerged from the Demerged Company and transferred to and vested in the Resulting Company on the Effective Date pursuant to the provisions of Section 232 of the Companies Act.
- (iii) All immovable properties of the Demerged Company and pertaining to the Demerged Undertaking, if any, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Demerged Company and





pertaining to the Demerged Undertaking, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall be vested in and/or be deemed to have been vested in the Resulting Company, without any further act or deed done or being required to be done by the Demerged Company and/or the Resulting Company. The Resulting Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties, if any, and shall be liable to pay the ground rent and taxes, if applicable and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties, if any, shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Resulting Company by the appropriate authorities pursuant to the sanction of this Scheme by the NCLT and upon the Scheme becoming effective in accordance with the terms hereof.

- (iv) All the security interest over any moveable and/or immoveable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/executed by any person in favour of the Demerged Company for the purposes of the Demerged Undertaking or any other person acting on behalf of or for the benefit of the Demerged Company pertaining to the Demerged Undertaking for securing the obligations of the persons to whom the Demerged Company has advanced loans and granted other funded and non-funded financial assistance, pertaining to the Demerged Undertaking by way of letter of comfort or through other similar instruments shall pursuant to the provisions of Section 232 of the Companies Act and without any further act, instrument or deed stand vested in and be deemed to be in favour of the Resulting Company and the benefit of such security shall be available to the Resulting Company as if such security was ab initio created in favour of the Resulting Company. The mutation or substitution of the charge in relation to the movable and immovable properties of the Demerged Company pertaining to the Demerged Undertaking shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Resulting Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the NCLT and upon the Scheme becoming effective in accordance with the terms hereof.
- (v) All debts, liabilities, borrowings, bills payable, interest accrued and all other duties, liabilities, undertakings and obligations of the Demerged Undertaking contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of the Demerged Company pertaining to the Demerged Undertaking shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company and the Resulting Company shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.
- (vi) All contracts, deeds, agreements, schemes, arrangements and other instruments permits, rights, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies) for the purpose of carrying on the business of the Demerged Company pertaining to the Demerged Undertaking and in relation thereto and those relating to tenancies, privileges, powers, pledge, facilities of every kind and description of whatsoever nature in relation to the Demerged Company pertaining to the Demerged Undertaking, or to the benefit of which, the Demerged Undertaking may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be and remain in full force and effect on, against or in favour of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company and pertaining to the Demerged Undertaking, the Resulting Company had



been a party or beneficiary or obligor thereto. In relation to the same, any procedural requirements required to be fulfilled solely by the Demerged Company (and not by any of its successors), shall be fulfilled by the Resulting Company as if it is the duly constituted attorney of the Demerged Company.

- (vii) Any pending suits/appeals, all legal, taxation or other proceedings including before any statutory or quasi-judicial authority or tribunal or other proceedings of whatsoever nature relating to the Demerged Undertaking and pertaining to the Demerged Undertaking, whether by or against the Demerged Company, whether pending on the Effective Date or which may be instituted any time in the future and in each case relating to the Demerged Undertaking shall not abate, be discontinued or in any way prejudicially affected by reason of the demerger of the Demerged Undertaking or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Resulting Company after the Effective Date. The Resulting Company shall, after the Effective Date, be replaced as party to such proceedings and shall prosecute or defend such proceedings in co-operation with the Demerged Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Demerged Company, as if this Scheme had not been implemented.
- (viii) All cheques and other negotiable instruments, payment orders received and presented for encashment which are in the name of the Demerged Company and pertaining to the Demerged Undertaking after the Effective Date, shall be accepted by the Demerged Company and promptly transferred to the accounts of the Resulting Company.
- (ix) All the property, assets and liabilities of the Demerged Undertaking shall be transferred by the Demerged Company to the Resulting Company at the values appearing in the books of account of the Demerged Company at the close of business of the day immediately preceding the Effective Date.
- (x) All employees of Demerged Company pertaining to the Demerged Undertaking who are on its payrolls shall become the employees of the Resulting Company without any break or interruption in their services on no less favourable terms (including employee benefits such as provident fund, leave encashment and any other retirement benefits) as applicable to such employees with the Demerged Company and in accordance with applicable law. The Resulting Company further agrees that for the purpose of payment of any retirement benefit/compensation, incentive contractual and statutory benefit, incentive plans, terminal benefits, such immediate uninterrupted past services with Demerged Company, shall also be taken into account and accordingly, shall be reckoned from the date of their appointment with the Demerged Company. In order to give effect to this provision and to carry out or perform all formalities or compliances, the Demerged Company and or the Resulting Company, as the case may be, shall do all such acts and deeds as may be necessary, or execute such contracts, agreements, deeds or other instruments or obtain necessary approvals, permits, rights, entitlements.
- (xi) All registrations, goodwill and licenses, trademarks, service marks, copyrights, domain names, applications for copyrights, trade names and trade-marks of the Demerged Company appertaining to the Demerged Undertaking shall be transferred to the Resulting Company;
- (xii) All taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax, fringe benefit tax, securities transaction tax, self assessment tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, stamp duty, goods and services tax etc.) including any interest, penalty, surcharge and cess, if any, payable by or refundable to the Demerged Company relating to the Demerged





Undertaking, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of the Resulting Company and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the Demerged Undertaking, shall pursuant to this Scheme becoming effective, be available to the Resulting Company.

- (xiii) All approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith) and certificates of every kind and description whatsoever held by the Demerged Company in relation to the Demerged Undertaking, or to the benefit of which the Demerged Undertaking may be eligible/entitled and which are subsisting or having effect immediately before the Effective Date shall be in full force and effect in favour of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Undertaking, the Resulting Company had been a party or beneficiary or obligor thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Resulting Company pursuant to the sanction of this Scheme by the NCLT and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Resulting Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.
- (xiv) Benefits of any and all corporate approvals as may have already been taken by the Demerged Company in relation to the Demerged Undertaking, whether being in the nature of compliances or otherwise, including without limitation approvals under Sections 42, 62, 180, 185, 186, 188 etc., of the Companies Act, read with the rules and regulations made thereunder, shall stand transferred to the Resulting Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Resulting Company.
- (xv) All estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Demerged Undertaking shall be deemed to have been accrued to and/or acquired for and on behalf of the Resulting Company and shall, upon this Scheme coming into effect, pursuant to the provisions of Section 232 and other applicable provisions of the Companies Act, without any further act, instrument or deed be and stand transferred to or vested in and/or be deemed to have been transferred to or vested in the Resulting Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Resulting Company.

It is clarified that if any assets, estate, claim, right, title, interest in or authorities relating to such assets or any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking, which the Demerged Company owns or to which the Demerged Company is a party and pertains to the Demerged Undertaking and which cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such assets or any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments in trust for the benefit of the Resulting Company to which the Demerged Undertaking is being transferred in terms of the provisions of this Scheme in so far as permissible to do so until such as time as the transfer is effected.

- 3.1.3 Without prejudice to the other provisions of the Scheme and notwithstanding the vesting of the Demerged Undertaking to the Resulting Company by virtue of Part III of the Scheme itself, the Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds (including



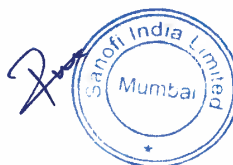
deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement in relation to which the Demerged Company has been a party, including any filings with the regulatory authorities (or any charge related filing) in order to give formal effect to the above provisions and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Undertaking. The Resulting Company will, if necessary, also be a party to the above. The Resulting Company shall, under the provisions of Part III of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Undertaking and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Undertaking to be carried out or performed.

- 3.1.4 The Demerged Company and/or the Resulting Company as the case may be, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by Demerged Company in relation to the Demerged Undertaking. It is hereby clarified that if the consent of any third party or authority, if any, is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Resulting Company pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective in accordance with the provisions of the Companies Act and with the terms hereof. For this purpose, the Resulting Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

3.2 Conduct of Business:

- 3.2.1 The Demerged Company with effect from the date of filing of this Scheme and up to and including the Effective Date. Save as may be governed by any arrangement entered into between the Demerged Company and the Resulting Company, the business of the Demerged Undertaking shall be carried on in ordinary course and in trust by the Demerged Company for and behalf of the Resulting Company until the Effective Date:

- (i) shall carry on its business and activities with reasonable diligence and business prudence and in the same manner as it had been doing hitherto and shall not undertake financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or committee, either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber its properties or assets or any part thereof, save and except in each case in the following circumstances:
- (a) if the same is in its ordinary course of business; or
  - (b) if the same is expressly permitted by this Scheme; and
  - (c) if prior written consent of the Board of Directors of the Demerged Company has been obtained; and
- (ii) except by mutual consent of the Boards of Directors of the Demerged Company and the Resulting Company, or except pursuant to any prior commitment, obligation or arrangement existing or undertaken by the Demerged Company and/or the Resulting Company pertaining to the Demerged Undertaking as on the date of filing of this Scheme, or except as contemplated in this Scheme, pending sanction of this Scheme, the Demerged Company and/or the Resulting Company shall not make any change in their capital structures either by way of any increase (by issue of equity shares, bonus



shares, convertible debentures or otherwise), decrease, reduction, reclassification, subdivision or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of such company(ies), provided that the Demerged Company and the Resulting Company shall be authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to issue employee stock options under any employee stock purchase scheme with respect to its respective employees.

- 3.2.2 Any claims (including but not limited to trade claims by customers or distributors), liabilities or demands (including in relation to income tax, service tax, tax deducted at source, provident fund and any other tax or statutory obligations) arising out of the activities or operations of the Demerged Undertaking after the Effective Date shall be deemed to be part of the Demerged Undertaking and shall consequently be entirely borne by the Resulting Company. In the event that such liability is incurred by or such claim or demand is made upon the Demerged Company pertaining to the Demerged Undertaking (or any successor thereof), then the Resulting Company shall indemnify the Demerged Company (or any successor thereof) for any payments made in relation to the same.
- 3.2.3 The Resulting Company undertakes to engage, upon the Scheme becoming effective, all such employees of the Demerged Company pertaining to the Demerged Undertaking and who are in the employment of the Demerged Company as on the Effective Date, on terms and conditions not less favorable than those on which they are engaged by the Demerged Company, with continuity of service and without any interruption of service as a result of this transfer.
- 3.2.4 The Resulting Company undertakes to continue to abide by any agreement/settlement entered into by the Demerged Company with employees of the Demerged Company in relation to the Demerged Undertaking. The Resulting Company undertakes to continue to abide by any agreement(s)/settlement(s) entered into with any labour unions/employees by the Demerged Company in relation to or in connection with the Demerged Undertaking. The Resulting Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such employees with the Demerged Company shall also be taken into account and agrees and undertakes to pay the same as and when payable.
- 3.2.5 In so far as the existing provident fund, gratuity fund and superannuation fund and/or schemes, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of Demerged Company pertaining to the Demerged Undertaking, the Resulting Company shall stand substituted for the Demerged Company for all purposes whatsoever, upon this Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds maintained by the Demerged Company in relation to the Demerged Undertaking, in accordance with the provisions of applicable laws or otherwise. In addition such funds, gratuity or other schemes created or maintained by the Demerged Company for the employees of the Demerged Undertaking, shall, subject to the necessary approvals and permissions, be transferred to the relevant funds and/or schemes as determined by the Resulting Company. If the Resulting Company, as on the Effective Date, does not have such funds or schemes to enable the transfer of contributions made by the Demerged Company with respect to the employees of the Demerged Undertaking, the Resulting Company shall establish such funds and/or schemes to enable the transfer of the contributions made by the Demerged Company in relation to the employees of the Demerged Undertaking. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Demerged Undertaking for such purpose shall be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds.

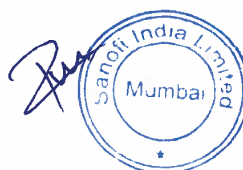


- 3.2.6 It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Demerged Undertaking in relation to such schemes or funds shall become those of the Resulting Company. Upon the Scheme becoming effective, the Resulting Company shall stand substituted for the Demerged Undertaking for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents.
- 3.2.7 Upon this Scheme becoming effective and subject to the receipt of requisite consents of the secured creditors, bond holders and debenture holders in favour of whom the Demerged Company has created security, the security provided by the Demerged Company pertaining to such financial indebtedness, bonds and debentures pertaining to the Demerged Undertaking shall stand cancelled and shall have no effect. For this purpose, no further consent from the existing secured creditors/other security holders shall be required and sanction of this Scheme shall be considered as a specific consent towards the same.
- 3.2.8 Upon the Scheme becoming effective, the Resulting Company shall carry on and shall be authorised to carry on the business of the Demerged Undertaking.
- 3.2.9 For the purpose of giving effect to the order passed under Chapter XV and other applicable provisions of the Companies Act in respect of this Scheme by the NCLT, the Resulting Company shall, at any time, pursuant to the order on this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the transfer of the Demerged Undertaking, in accordance with the provisions of Chapter XV of the Companies Act. The Resulting Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms, deeds etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme, pursuant to the sanction of this Scheme by the NCLT.
- 3.2.10 Upon the Scheme becoming effective, the Resulting Company, unconditionally and irrevocably, agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Demerged Company pertaining to the Demerged Undertaking with effect from the Effective Date, in order to give effect to the foregoing provisions.
- 3.2.11 Upon the Scheme becoming effective, all profits accruing to the Demerged Undertaking and all taxes thereof or losses arising or incurred by it relating to the Demerged Undertaking shall, for all purposes be treated as the profits, taxes or losses as the case may be of the Resulting Company.
- 3.2.12 Upon the coming into effect of this Scheme, the resolutions, if any, of the Demerged Company pertaining to the Demerged Undertaking, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Resulting Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then such limits shall be added and shall constitute the aggregate of such limits in the Resulting Company.
- 3.3 **Consideration**
- 3.3.1 Upon this Scheme coming into effect and upon vesting of the Demerged Undertaking in the Resulting Company, the Demerged Company shall provide to the Resulting Company, the list of equity shareholders of the Demerged Company as on the Record Date, who are entitled to receive fully paid-up equity shares, in the Resulting Company in terms of this Scheme.
- 3.3.2 Upon this Scheme coming into effect, the shareholders of the Demerged Company as of the Record Date shall be entitled to receive equity shares of the Resulting Company as detailed in this Clause 3.5 of Part III of this Scheme.





- 3.3.3 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 Demerged Company, based on price arrived at per the share entitlement ratio report dated 10 May 2023, prepared by KPMG Valuation Services LLP. 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 1:1 i.e., 1 fully paid-up equity share having a face value of Rs. 10 each of the Resulting Company for every 1 fully paid-up 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**”).
- 3.3.4 The Demerged Company had engaged: (a) KPMG Valuation Services LLP, as the chartered accountants to provide a share entitlement ratio report; and (b) BofA Securities India Limited to provide a fairness opinion. In connection with such engagement, KPMG Valuation Services LLP has issued a share entitlement ratio report dated 10 May 2023 and BofA Securities India Limited has issued a fairness opinion dated 10 May 2023.
- 3.4 **Issuance mechanics and other provisions**
- 3.4.1 The equity shares to be issued and allotted by the Resulting Company in terms of Clause 3.3 of Part III of this Scheme shall be subject to the provisions of the memorandum of association and the articles of association of the Resulting Company and shall rank *pari passu* in all respects with the existing equity shares of the Resulting Company.
- 3.4.2 All certificates for the new shares held in physical form shall be sent by the Resulting Company to the shareholders of Demerged Company as on the Record Date at their respective registered addresses as appearing in the register of members of Demerged Company (or in the case of joint holders to the address of such joint holder whose name stands first in such register of members in respect of such joint holding) and the Resulting Company shall not be responsible for any loss in transmission.
- 3.4.3 All equity shareholders of the Demerged Company holding equity shares in the Demerged Company in dematerialised form, as on the Record Date, shall be issued fresh equity shares in the Resulting Company in dematerialised form. All equity shareholders of the Demerged Company holding equity shares in the Demerged Company in physical form, as on the Record Date, shall be issued fresh equity shares in the Resulting Company in physical form.
- 3.4.4 For the purpose of the allotment of equity shares of the Resulting Company pursuant to Clause 3.3 above, any equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Companies Act or otherwise shall pending allotment or settlement of dispute by order of court or otherwise, be held in abeyance by the Resulting Company.
- 3.4.5 On the approval of the Scheme by the members of the Resulting Company pursuant to Section 232 of the Companies Act, it shall be deemed that the members have accorded their consent under Section 62 (1A) of the Companies Act, or any other applicable provision of the Companies Act as may be applicable. The Resulting Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, including the Securities and Exchange Board of India and the NSE and the BSE, for the issue and allotment by the Resulting Company of equity shares of Resulting Company to the members of Demerged Company pursuant to the Scheme.
- 3.4.6 In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors, or any committee thereof, of the Demerged Company shall be empowered in appropriate cases, even subsequent



to the Record Date, as the case may be, to effectuate such a transfer in the Demerged Company, as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the Demerged Company or Resulting Company, as the case may be, in respect of such shares.

- 3.4.7 Unless otherwise determined by the Board of Directors, or any committee thereof, of the Demerged Company and the Board of Directors, or any committee thereof, of the Resulting Company, allotment of shares in terms of this Scheme shall be completed within forty five (45) days from the Effective Date.

### 3.5 Listing of equity shares of the Resulting Company

- 3.5.1 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.

- 3.5.2 Subject to any dispensation granted by the Securities and Exchange Board of India and the Stock Exchanges, the shares allotted pursuant to Clause 3.3 of the Scheme shall remain frozen in the depositories system until permission for listing/trading is granted by the Stock Exchanges.

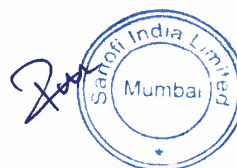
- 3.5.3 Until such time as the equity shares of the Resulting Company are listed on the Stock Exchanges, except as provided in the Scheme, there shall be no change in the shareholding pattern or control of or pre-arrangement capital structure of the Resulting Company.

### 3.6 Cancellation of equity shares of the Resulting Company held by the Demerged Company

- 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. Accordingly, the changes to the equity share capital of the Resulting Company will automatically be effected as an integral part of this Scheme, without any further act or deed on the part of the Resulting Company and without having to separately follow the any provisions of the Companies Act. The consent of the stakeholders of the Resulting Company to this Scheme shall be deemed to be sufficient for the purposes of effecting such changes to its equity share capital, and no further resolution or action under the provisions of the Companies Act would be required to be separately passed or taken. The order of the NCLT sanctioning this Scheme is deemed to also be the order passed by the NCLT under Section 66 and other relevant provisions of the Companies Act for the purpose of confirming such changes to the equity share capital of the Resulting Company. It is clarified that with regard to the cancellation of equity share capital as a consequence of the demerger of the Demerged Undertaking of the Demerged Company into and with the Resulting Company, pursuant to the explanation to Section 230(12) of the Companies Act, the provisions of Section 66 of the Companies Act shall not apply to any consequential cancellation of share capital effected in pursuance of this Scheme.

### 3.7 Accounting Treatment

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### 3.7.1 Accounting treatment in the books of Demerged Company

- (i) Notwithstanding anything to the contrary contained herein, the Demerged Company shall give effect to the Demerger in its books of account in accordance with applicable accounting principles as prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Companies Act, 2013, as may be amended from time to time and on the date as determined under Ind AS. The accounting in the books of accounts of the demerged company is as follows:
- (a) The Demerged Company shall derecognise from its books of accounts, the carrying amount of assets and liabilities pertaining to the Demerged Undertaking transferred to and vested in the Resulting Company;
- (b) The excess of the carrying amount of assets transferred over the carrying amount of liabilities transferred shall be debited to reserve within equity.
- (ii) To further clarify, for determination of the date as referred in (i) above, the guidance under Ind AS will take precedence over the effective date per Clause 5.1 for accounting purposes in accordance with the Ind AS.
- (iii) The Board of Directors of the Demerged Company is authorised to account for any of the matters not dealt with in clause herein above in accordance with the Indian accounting standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015.

### 3.7.2 Accounting treatment in the books of Resulting Company

- (i) Notwithstanding anything to the contrary contained herein, the Resulting Company shall account for the acquisition of the Demerged undertaking in its books of accounts by applying the principles prescribed in Indian Accounting Standard 103, Business Combinations, Appendix C - Business combinations of entities under common control and other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under section 133 of the Companies Act, 2013 and on the date determined in accordance with Ind AS. The Resulting Company shall account for acquisition of demerged undertaking as follows:
- (ii) The Resulting Company shall recognise the assets and liabilities of the Demerged Undertaking vested in it pursuant to this Scheme, at their respective carrying amounts as appearing in the books of the Demerged Company.
- (iii) The difference, if any, between the carrying amount of the net assets of the Demerged Undertaking acquired and the consideration issued to the shareholders of the Demerged Company shall be adjusted to capital reserve.
- (iv) The financial statements of the Resulting Company shall be restated in accordance with the requirements of Appendix C of Ind AS 103.
- (v) To further clarify, for determination of the date as referred in (i) above, the guidance under Ind AS will take precedence over the effective date as per Clause 5.1 for accounting purposes in accordance with the Ind AS.
- (vi) Inter-company balances between Demerged Company and Resulting Company shall be cancelled.



- (vii) The Board of Directors of the Resulting Company is authorised to account for any of account for any of the matters not dealt with in clauses herein above in accordance with the Indian accounting standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015. .





**Part IV: Residual Undertaking of the Demerged Company****4. RESIDUAL UNDERTAKING OF THE DEMERGED COMPANY****4.1 Residual Undertaking**

- 4.1.1 The Residual Undertaking and all assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.
- 4.1.2 All legal, taxation or other proceedings by or against the Demerged Company under any statute, or quasi-judicial authority or tribunal) whether pending on the date of filing of this Scheme or which may be instituted in future whether or not in respect of any matter arising before the Effective Date and relating to the Residual Undertaking (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Residual Undertaking) shall be continued and enforced by or against the Demerged Company. The Resulting Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceeding against the Demerged Company if proceedings are taken up against the Resulting Company in respect of the matters referred to in this Clause, it shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company and the latter shall reimburse and indemnify the Resulting Company against all liabilities and obligations incurred by the Resulting Company in respect thereof.



**Part V**

**5. MISCELLANEOUS AND GENERAL PROVISIONS**

**5.1 Conditions Precedent**

- (i) The Scheme is conditional on and subject to:
- (i) The Scheme being approved and sanctioned by the NCLT under Sections 230-232 and other applicable provisions of the Companies Act;
  - (ii) Receipt of such other consents and approvals including sanction of any governmental authority (including the Securities and Exchange Board of India) or stock exchanges as may be required by law in respect of the Scheme being obtained.

The Demerged Company and the Resulting Company shall file the certified copy of the order of the NCLT, sanctioning the Scheme, with the relevant jurisdictional Registrar of Companies in terms of Section 232(5) of the Companies Act.

**5.2 Provisions Applicable to Part III**

5.2.1 Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred and become effective and operative only in the sequence and in the order mentioned hereunder:

- (i) the transfer of the Demerged Undertaking to the Resulting Company pursuant to Part-III of this Scheme; and
- (ii) the issue and allotment of fully paid-up equity shares of the Resulting Company to the shareholders of the Demerged Company as of the Record Date.

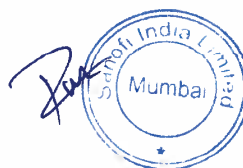
**5.3 Compliance with Laws**

5.3.1 This Scheme is presented and drawn up to comply with the provisions/requirements of Chapter XV of the Companies Act, for the purpose of Demerger of the Demerged Undertaking to the Resulting Company. The Demerged Company and the Resulting Company will ensure compliance, as applicable, with the General Circular No. 09/2019 dated 21 August 2019 issued by the Ministry of Corporate Affairs with regard to the 'appointed date'. Under this Scheme, the 'appointed date' shall be the Effective Date.

5.3.2 This Scheme has been drawn up to comply with the conditions relating to "demerger" as specified under the tax laws, including Section 2(19AA) and other relevant sections of the IT Act. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the IT Act shall prevail. The Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Demerged Company and the Resulting Company, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.



- 5.3.3 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company are expressly permitted to revise their financial statements. The order of the NCLT sanctioning the Scheme shall be deemed to be an order of the National Company Law Tribunal permitting the Resulting Company to revise its financial statements and books of accounts and no further act shall be required to be undertaken by the Resulting Company.
- 5.4 **Consequential Matters Relating to Tax**
- 5.4.1 Upon the Scheme coming into effect, notwithstanding anything to the contrary contained in the provisions of this Scheme, all accumulated tax loss, unabsorbed losses and corresponding deferred tax assets, unabsorbed tax depreciation, tax benefits, tax deductions, tax concessions, minimum alternate tax credit, if any, of the Demerged Undertaking as on the Appointed Date, respectively shall, for all purposes, be treated as accumulated tax losses, unabsorbed losses and corresponding deferred tax assets, unabsorbed tax depreciation, tax benefits, tax deductions, tax concessions and minimum alternate tax credits of the Resulting Company.
- 5.4.2 Upon the Scheme becoming effective, the Resulting Company shall be entitled to claim refunds or credits, including input tax credits, with respect to taxes paid by, for, or on behalf of, the Demerged Undertaking under applicable laws, whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed.
- 5.4.3 Upon the Scheme becoming effective, any TDS certificates issued by the Demerged Company to, or for the benefit of, the Demerged Undertaking under the IT Act with respect to the inter se transactions would be available to the Resulting Company to seek refund of from the tax authorities in compliance with law. Further, TDS deposited, TDS certificates issued or TDS returns filed by the Demerged Company pertaining to the Demerged Undertaking on transactions other than inter se transactions shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Resulting Company. Any TDS deducted by, or on behalf of, the Demerged Undertaking will be treated as advance tax deposited by the Resulting Company and shall, in all tax proceedings, be dealt with accordingly.
- 5.4.4 The Resulting Company is also expressly permitted to claim refunds, credits, benefits, concessions, deductions, allowances including restoration of input CENVAT credit, tax deduction in respect of nullifying of any transaction between or amongst the Demerged Undertaking and the Resulting Company.
- 5.4.5 The obligation for deduction of tax at source on any payment made by or to be made by the Demerged Company pertaining to the Demerged Undertaking under the IT Act, service tax laws, central sales tax, state value added tax, goods and service tax laws or other applicable laws and/or regulations dealing with taxes, duties or levies shall be deemed to have been made and duly complied with on behalf of the Resulting Company.
- 5.4.6 Upon the Scheme becoming effective, the Resulting Company is also expressly permitted to revise its income-tax returns, withholding tax returns, sales tax returns, excise & CENVAT returns, service tax returns, other tax returns, to obtain TDS certificates, including TDS certificates relating to transactions between or amongst the Demerged Undertaking and the Resulting Company and to claim refunds, advance tax and withholding tax credits, benefit of carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.
- 5.4.7 In accordance with the Central Goods and Services Act, 2017 and other applicable laws as are prevalent on the Effective Date, the unutilised credits relating to excise duties paid on inputs/capital goods/input services lying in the accounts of the Demerged Company pertaining to the Demerged Undertaking shall be permitted to be transferred to the credit of the Resulting Company, as if all such unutilised credits were lying to the account of the Resulting Company.



The Resulting Company shall accordingly be entitled to set off all such unutilised credits against the applicable output tax payable by it or claim as refund unless already claimed. Without prejudice to the generality of the foregoing, all benefits, incentives, losses, credits (including without limitation income tax, tax on book profits, wealth tax, custom duty, value added tax, goods and services tax or any other tax), to which the Demerged Undertaking of the Demerged Company is entitled to in terms of applicable law, shall be available to and vest in the Resulting Company.

- 5.4.8 All the expenses incurred by the Demerged Company and the Resulting Company in relation to the demerger in accordance with this Scheme (including stamp duty expenses, if any) shall be allowed as deduction to the Resulting Company in accordance with Section 35DD of the IT Act over a period of 5 years beginning with the financial year in which this Scheme becomes effective.

#### 5.5 **Dividends**

- 5.5.1 The Demerged Company and the Resulting Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date.

- 5.5.2 The holders of the shares of the Demerged Company and the Resulting Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.

- 5.5.3 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Demerged Company and/or the Resulting Company to demand or claim any dividends which, subject to the provisions of the Companies Act, shall be entirely at the discretion of the respective Boards of Directors of the Demerged Company and the Resulting Company respectively and subject to the approval of the shareholders of the Demerged Company and the Resulting Company respectively.

#### 5.6 **Interpretation**

- 5.6.1 This Scheme shall become effective and the provisions of this Scheme shall be applicable and come into operation from the Effective Date.

- 5.6.2 If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any provisions of applicable law at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the applicable law shall prevail. This Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will, however, not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, the power to make such amendments/modifications as may become necessary, whether before or after the Effective Date, shall vest with the Board of Directors of the Demerged Company and the Resulting Company, which power shall be exercised reasonably in the best interests of the Demerged Company and the Resulting Company and their respective shareholders.

#### 5.7 **Applications to the NCLT**

- 5.7.1 The Demerged Company and the Resulting Company shall as may be required make necessary applications and/or petitions to the NCLT under Chapter XV of the Companies Act and the rules formed thereunder seeking orders for dispensing with or convening, holding and conducting of the meetings of members and/or creditors and for sanction of this Scheme with



such modification as may be approved by the NCLT and all matters ancillary or incidental thereto.

5.7.2 Upon this Scheme being approved by the requisite majority of the shareholders and creditors of the Demerged Company and the Resulting Company respectively (wherever required) through e-voting, as applicable, the Demerged Company and the Resulting Company shall, with all reasonable dispatch, file respective petitions before the NCLT for sanction of this Scheme under Chapter XV Companies Act and for such other order or orders, as the NCLT may deem fit for putting this Scheme into effect.

5.7.3 Upon this Scheme becoming effective, the shareholders of the Resulting Company shall be deemed to have also accorded their approval under all relevant provisions of the Companies Act for giving effect to the provisions contained in this Scheme.

**5.8 Modification or Amendments to the Scheme.**

5.8.1 The Demerged Company and the Resulting Company through either of their respective Boards of Directors or through a committee appointed by them in this behalf, may, in their full and absolute discretion, assent to any alteration, amendment or modification to this Scheme which either the boards of directors of the Demerged Company or the Resulting Company, as the case may be, deem fit, or which the NCLT and/or any other authority may deem fit to approve or impose.

5.8.2 The Demerged Company and the Resulting Company through their respective Boards of Directors or through a committee appointed by them in this behalf, may give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation hereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders of the respective companies), or to review the position relating to the satisfaction of various conditions to the Scheme and if necessary, to waive any of those (to the extent permissible under law).

5.8.3 The Demerged Company and the Resulting Company, acting through their respective Boards of Directors, shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the NCLT or any other authority is not on terms acceptable to them.

5.8.4 Except as otherwise expressly provided in this Scheme, the Demerged Company and the Resulting Company shall pay their respective costs, expenses, charges, fees, taxes, duties, levies and other incidental expenses arising out of or incurred in connection with the filing, approval and/or implementation of this Scheme. Upon this Scheme becoming effective, all costs, expenses, charges, fees, taxes, duties, levies and other incidental expenses arising out of or incurred in connection with the filing, approval and/or implementing of this Scheme (save as expressly otherwise agreed) by the Demerged Company shall be borne in the manner as mutually agreed between the Demerged Company and the Resulting Company.

5.8.5 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Demerged Company and the Resulting Company and their respective shareholders and the terms and conditions of this Scheme, the latter shall prevail.

5.8.6 If any part of this Scheme is invalid, ruled illegal or rejected or is unreasonably delayed or not sanctioned by any court of competent jurisdiction, or unenforceable under present or future laws, or not sanctioned or is unreasonably delayed, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the Demerged Company and the Resulting Company, acting



through their respective Boards of Directors, shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part, which is invalid, ruled illegal or rejected, or being unreasonably delayed or not sanctioned or is unreasonably delayed by any court of competent jurisdiction, or unenforceable under present or future laws.

- 5.8.7 Any issue as to whether any asset, liability, employee or litigation pertains to the Demerged Undertaking or not shall be decided by the Board of Directors of the Resulting Company either by themselves or through a committee appointed by them in this behalf, and if considered necessary by them, after consultation with the Board of Directors of the Demerged Company, on the basis of evidence that they may deem relevant for the purpose (including the books and records of the Demerged Company).

#### 5.9 **Miscellaneous Provisions**

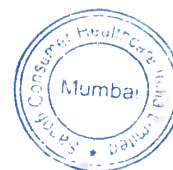
- 5.9.1 In the event of this Scheme failing to take effect finally by 30 June 2025 or by such later date as may be agreed by the respective Boards of Directors of the Demerged Company and the Resulting Company, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case each company shall bear its own costs or shall bear costs as may be mutually agreed.
- 5.9.2 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Demerged Company and the Resulting Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

#### 5.10 **Saving of Concluded Transactions**

The transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking in accordance with the provisions of this Scheme and the continuance of the legal proceedings by or against the Resulting Company shall not affect any transaction or proceedings already completed by the Demerged Company on or before the Effective Date and the Resulting Company accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company as acts, deeds and things done and executed by and on behalf of the Resulting Company.

#### 5.11 **Residual**

- 5.11.1 Upon this Scheme becoming effective, the Resulting Company shall be entitled to operate all bank accounts, cash and deposits relating to the Demerged Undertaking, realise all monies and complete and enforce all pending contracts and transactions in respect of the Demerged Undertaking in the name of the Demerged Company to the extent necessary.
- 5.11.2 Upon this Scheme becoming effective, the Resulting Company shall be entitled to occupy and use all premises, whether owned, leased or licensed, relating to the Demerged Undertaking until the transfer of the rights and obligations of the Demerged Company pertaining to the Demerged Undertaking to the Resulting Company under this Scheme is formally accepted by the parties concerned.

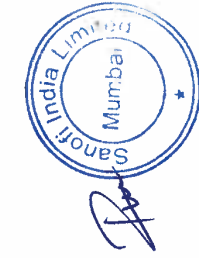




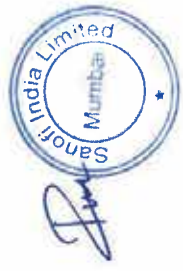
## Schedule 1: Balance Sheet relating to the Demerged Undertaking

BALANCE SHEET		CHC
		31-Dec-22
<b>ASSETS</b>		
<b>Non-current assets</b>		<b>123</b>
PPE,CWIP,Intangibles & Goodwill		34
ROU Assets		6
Financial assets		0
Current tax assets		0
Deferred Tax Assets		83
Other non-current assets		0
<b>Current assets</b>		<b>508</b>
Inventories		363
Trade receivables		120
Cash and Bank		-
Other current assets		25
Assets held for sale		-
<b>Total assets</b>		<b>632</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Total Equity</b>		<b>(92)</b>
<b>Non-current liabilities</b>		<b>227</b>
Lease liabilities		6
Employee benefit obligations		221
Deferred tax liabilities		-
<b>Current liabilities</b>		<b>496</b>
Employee benefit obligations		-

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Trade Payables	272
Provisions	224
Current tax liabilities	-
Other liabilities	-
Liabilities classified as held for sale	-
<b>Total equity and liabilities</b>	<b>631</b>

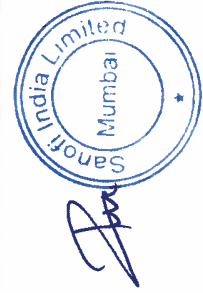




## Schedule 2: Balance Sheet relating to the Residual Undertaking.

BALANCE SHEET	
(Non-CHC/Demerged)	
31-Dec-22	
<b>ASSETS</b>	
<b>Non-current assets</b>	<b>4,491</b>
PPE, CWIP, Intangibles & Goodwill	2,668
ROU Assets	583
Financial assets	147
Current tax assets	1,099
Deferred Tax Assets	(83)
Other non-current assets	77
<b>Current assets</b>	<b>15,595</b>
Inventories	3,717
Trade receivables	1,171
Cash and Bank	10,169
Other current assets	528
Assets held for sale	10
<b>Total assets</b>	<b>20,085</b>
<b>EQUITY AND LIABILITIES</b>	
<b>Total Equity</b>	<b>12,850</b>
<b>Non-current liabilities</b>	<b>326</b>
Lease liabilities	143
Employee benefit obligations	134
Deferred tax liabilities	49
<b>Current liabilities</b>	<b>6,910</b>

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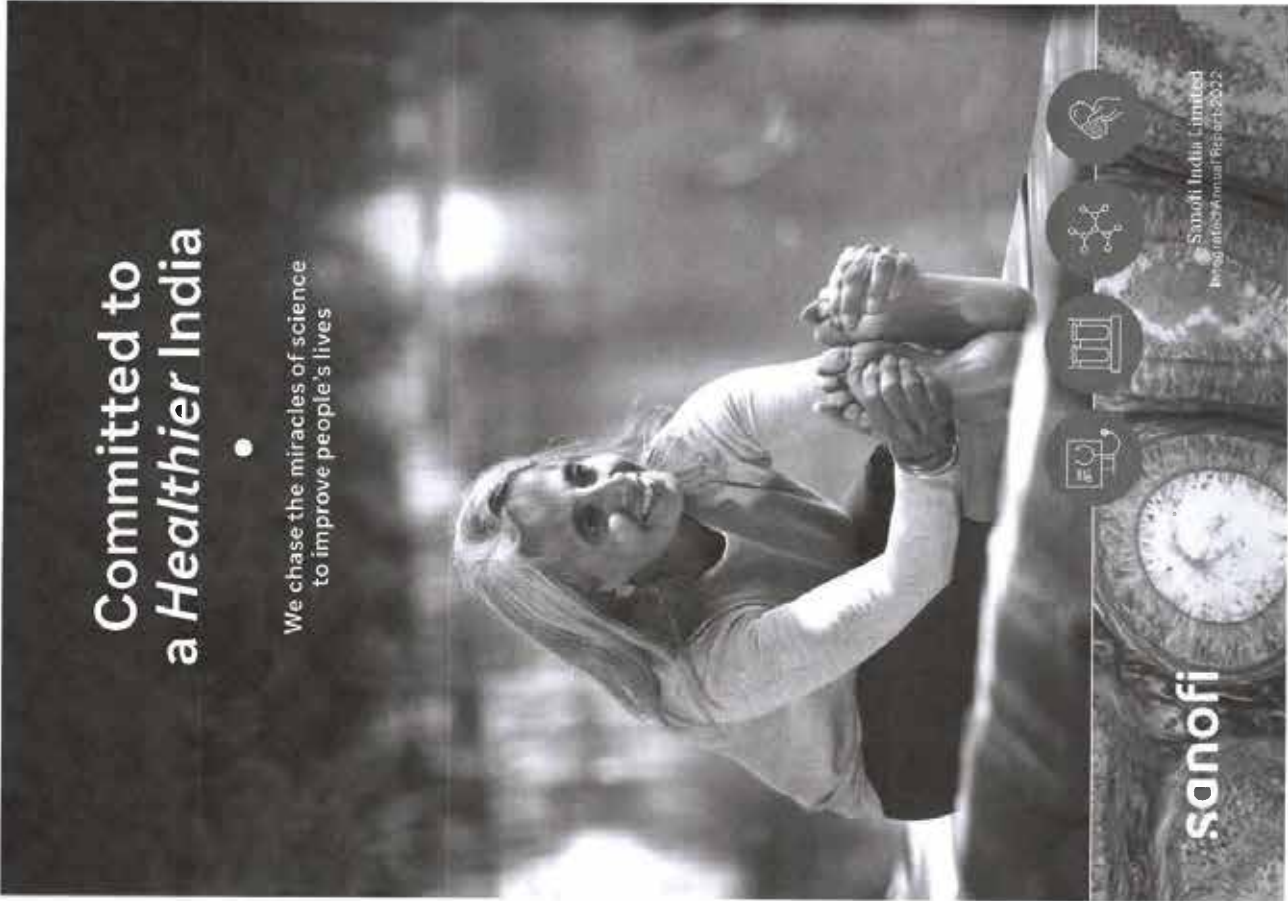
Employee benefit obligations	1,130
Trade Payables	3,489
Provisions	1,203
Current tax liabilities	900
Other liabilities	176
Liabilities classified as held for sale	12
<b>Total equity and liabilities</b>	<b>20,086</b>



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Annexure 2



Committed to  
a Healthier India

We chase the miracles of science  
to improve people's lives

## Our approach to reporting

### Introduction to the Report

We are proud to present our first Integrated Annual Report for FY 2022, which showcases our efforts towards creating long-term value for our stakeholders. This Report covers our performance, related to Environment, Social, and Governance parameters in our operations. This Report is based on the Value Reporting Foundation's Integrated Reporting Framework. The Value Reporting Foundation is a global non-profit organisation comprising the international Integrated Reporting Council (IIRC) and Sustainability Accounting Standards Board (SASB).

in the industry, geographical market conditions, government regulations, laws, and other incidental factors. Consequently, no forward-looking statement can be guaranteed, and actual results may vary, causing a material impact on the Company's operations and performance.

### Reporting period

This Report covers disclosures for the reporting period from 1st January 2022 to 31st December 2022 (FY 2022).

### Reporting boundary

This Report covers the financial and non-financial performance of Sanofi India Limited. This includes our India operations at the Goa factory, Mumbai corporate office, and other branch offices in India.

### Defining report content and topic boundaries

Our approach to sustainability reporting involves giving attention to material issues and activities, in line with stakeholder concerns and relevance to our business and society in terms of framework, comprehensiveness, and balance.

Material topics have been identified based on our interaction with our internal and external stakeholders as well as suggestions from our senior management. This entire process has facilitated the disclosures on key material topics. We believe that this Report addresses all the topics that are material to our stakeholders. This Report for FY 2022 does not feature any restatements for information about previous financial years.

### Forward-looking statements' disclosure

This Report contains a few forward-looking statements that reflect Sanofi India Limited's views concerning future events and performance. These statements are based on reasonable assumptions and past performance, and involve a variety of risks and uncertainties. These statements include all the statements other than historical facts, performance highlights, objectives, approaches, and mitigation plans. They are subject to change considering developments

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*We chase the miracles  
of science to improve  
people's lives*

## *Committed to a healthier India*

Scientific discoveries do not happen overnight or without hard work. But our determination to find answers for patients motivates us to develop breakthrough medicines.

And to never settle.

We are driven by a unifying purpose and ambition. Guided by our purpose – chasing the miracles of science to improve people's lives – we are redefining who we are and why we exist, with greater clarity for our people, partners, patients, and healthcare professionals.

2022 was a year of transformation. We examined what today's India needs, and in turn our product portfolio, structure, processes, and ways of working. We are now on an exciting journey of pursuing strategic innovations and delivering sustainable solutions that facilitate well-being and wellness. We are chasing ways in which we can deliver our miracles of science to benefit patients and create value for society, thus contributing to making a healthier India.

### *Case in point*

One in seven people with diabetes is an Indian. Of epidemic proportions, diabetes poses a substantial economic burden on the country and its healthcare system, as well as people with the disease, and their families.

Diabetes though is often just the starting point for other related problems like retinopathy, heart disorders, nerve damage and kidney diseases, among others. What makes the situation even more challenging is the lack of awareness, diagnosis and access to treatment, social barriers, and adherence to recommended guidelines.

Therefore, we have prioritised diabetes management as a core area of focus at Sanofi India. By bringing

our comprehensive range of diabetes management solutions (orals and injectables) and complementing it with education about the disease, its causes, and preventive measures, we are making significant progress in addressing this health issue.

Likewise, we are equally committed to the other areas of therapy that we have expertise in. Across India, people's needs vary from well-being (consumer healthcare) to diseases of epidemic proportion (allergy and cardiology) or maligned with stigma (epilepsy). We bring them quality products, devices, services, and access to information that empowers them to manage their condition and lead healthier lives.





## Who we are

# In India for India

Sanofi India is a five-time 'Top Employer' and has products that are present in one out of three Indian households. Our priority is to lead with innovation and bring transformative therapies to patients, while accelerating operational efficiency and reinventing our ways of working.

We have a well-established large-scale manufacturing presence with a site in Goa and 12 Contract Manufacturing Organisations (CMOs) in different parts of India. Our corporate office is headquartered in Mumbai, Maharashtra. We produce pharmaceutical formulations, dosage forms and offer an extensive range of innovative medicines across vital therapeutic areas.

Our brands are leaders in their respective categories and are a testament to our long history of superior quality, consistent supply, and demonstrated scientific competence. Our endeavour is to align ourselves with India's healthcare needs by building expertise, capability, and capacity, through continued investments, strategic partnerships, and a shared commitment towards the well-being of patients.



Manufacturing site, Goa

**Among  
Top 4**

Multinational pharma companies in India

**3**

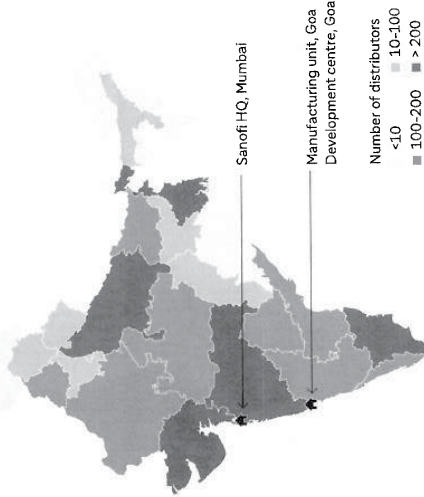
Brands within the top 100 pharma brands

**₹127 billion**

Market capitalisation as on 24th February 2023

## Superior quality and compliance track record backed by robust distribution presence across India

- 1 GMP compliant manufacturing site
- ~5 bn+ tablets Production volume
- 12 Indian CMOs



Our social impact initiatives are in partnership with state governments and NGOs to improve access to healthcare in diabetes and other non-communicable diseases.

We export our wide range of finished formulation dosages and medical devices to 60+ developed, as well as developing countries. We are listed on

Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). We are a public-private limited company having 60.4% promoter holding and the balance held by foreign, domestic and retail investors. In FY 2022, the number of shareholders increased by 50% since the previous year.

**~100,000**

Total pharmacies reached across India

**~3,000**

Total distributors across India

## Sanofi Global

As an inventive healthcare enterprise, our ultimate goal is to enhance the well-being of individuals by pursuing scientific breakthroughs. With a workforce spanning over 100 nations, we strive to revolutionise medical practices by aiming to achieve what was once considered unattainable.

Our mission involves offering treatment options that could significantly improve lives and provide vaccines, that can potentially save lives of countless people worldwide. Furthermore, we prioritise sustainability and social responsibility as essential components of our aspirations.

**100 countries**

Presence

**~100,000**

Total employees

**~70**

Manufacturing units

**~20**

R&D sites

To know more about Sanofi, please visit

<https://www.sanofi.com/en>

## Committed to a healthier India through our growth pillars



### Diabetes

- Strengthening position
- Expanding spectrum of offerings
- Stronger disease awareness initiatives

### Consumer Healthcare (CHC)

- Doubling down on our winning brand - Allegra®
- Deepening consumer understanding
- Expanding range

### Innovation

- Leveraging global and local innovation
- Exploring supply localisation
- Forging partnerships for reach expansion

### Go-To-Market (GTM)

- Customer-centric and hybrid models
- Trade organisations (retail and non-retail)
- Pioneering transformative models

## Committed to a healthier India with our customers

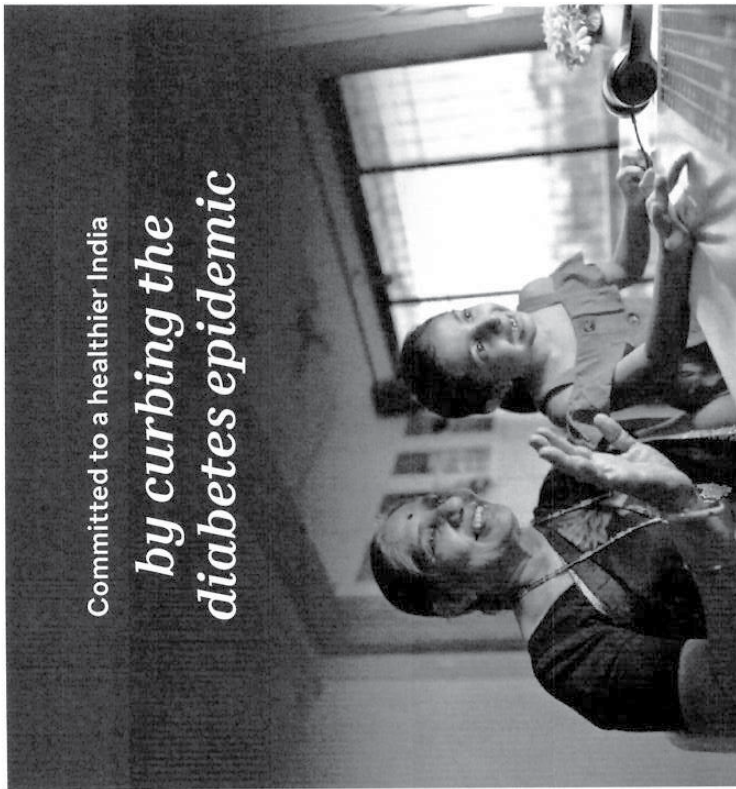
The healthcare ecosystem is evolving with science becoming more complex and the use of digital tools expanding. As a result, the exchange between the physician, patient and the pharma industry are transforming.



In this fast-paced world, we are introducing hybrid customer experiences that quicken knowledge transfer and support individualised treatment and disease management.

Our customers are mainly healthcare professionals or consultants, pharmaceutical retailers and distributors, e-pharmacies and e-commerce companies.





Committed to a healthier India  
*by curbing the  
diabetes epidemic*

**Hybrid HCP engagements**

The ICON program is designed as an integrated customer journey of 4 months hosted on an in-house developed app - Sanofi Knowledge Academy (SKA).

During this programme, multiple touch-points are planned with HCPs, including various in-person and digital meetings, along with a rich repository of virtual resources and digital engagements.

Since the launch of the ICON initiative in Q4 FY 2019, >6,000 HCPs have been engaged in unique capability-building initiatives.

**Patient Support Programme**

Saathi is Sanofi's unique and longest running Patient Support Programme (PSP) that helps lakhs of people living with diabetes, manage their condition better. Our stellar team of professionally trained counsellors from across 45 cities provide educational and counselling support to patients from across India, who are enrolled in our programme by over 5,000 doctors.

**Comprehensive product portfolio**

We offer a balanced portfolio of orals and injectables for different stages of diabetes, in different types of patients for optimal management.

**Insulin delivery simplified**

Toustar® is India's first reusable insulin pen with a dedicated cartridge. Most patients living with diabetes find disposable insulin pens prone to error and too cumbersome to keep changing. We launched the TouStar® reusable pen in India, adding another device to the versatile, multi-award winning A1Star platform. The TouStar® pen contains 50% more insulin than a regular cartridge, making it more convenient and long-lasting. The new dedicated cartridge system is intended to simplify the cartridge exchange process and help prevent insulin mix-ups, by preventing users from accidentally attaching an incompatible insulin cartridge.

Clearly, there is an urgent need to detect diabetes early and initiate treatment for better disease management.

At Sanofi India, we believe that the only way of transforming the management of chronic diseases like diabetes is to reverse the course of the epidemic.

We do not just stop at creating a diversified portfolio of products, but go the extra mile to deepen disease and therapy awareness.

We do not just interact with our customers, but strive to create an ecosystem that provides all the relevant information pertaining to diabetes.

*Numbers speak volumes*

**1 out of 7**

Indians accounting for all adults with diabetes globally

**~77 million**

Indian adults (20-79 years) with diabetes in 2021

**~40 million**

Indian adults (20-79 years) with undiagnosed diabetes in 2021

**230,000**

India now has the highest estimated number of prevalent type 1 diabetes cases in people under 20 years of age

Ref: IDF Diabetes Atlas 2021 - 10th edition. Available from <https://diabetesatlas.org/global/>



3 Mrs. Usha Thorat, Independent Director at the mobile medical van-NCD screening, Mudshingi, Kolhapur

## Committed to a healthier India through consumer healthcare

If this pandemic has taught us something, it is that health is no longer a set of symptoms to be treated in isolation. Health is inextricably linked to the world around us.



People's lifestyle and the environment are causing several ailments like allergies and pain, which are common and everyday occurrences. Vitamin D deficiency (VDD) and insufficiency is found in 76% Indians. This high prevalence of VDD in a sun-rich country like India has been reported due to several reasons that include inadequate exposure to sunlight,

dietary factors, and pollution hampering the penetration of ultraviolet rays.

Over the course of the pandemic, the world has witnessed a sea-change in awareness and willingness amongst many people to take a proactive role in managing their own health and well-being.



### Allergies

The prevalence of allergies in India has doubled over the past decade. While our direct physical reach is to ~8,000 physicians, we have increased our reach to 1 lakh physicians across India by adopting an omni-channel strategy. We continue to strengthen our Nasal Allergy portfolio with innovative and patient-centric solutions since ~70% allergic rhinitis patients exhibit nasal congestion as a bothersome symptom.

Pollution is a key aggravator to allergic rhinitis and India is home to 9 out of the 10 most polluted cities in the world. Despite such high occurrences, awareness about allergic rhinitis remains low, causing aggravated symptoms. Sanofi India has taken a lead in creating awareness on the impact of pollution on allergies in India.



### Vitamin D deficiency or insufficiency

Post-covid, the awareness and importance of immunity has gone up significantly. We have leveraged this to drive growth for our wellness portfolio with DePura Kids by highlighting how optimal Vitamin D levels help maintain good bone health and immunity.



### Pain management

Pain is one of the most common health issues today. For over 30 years, people across India have trusted and relied on Combiflam®, one of our flagship prescription brands.



## Committed to a healthier India by leveraging digital innovation

Achieving an ambition to serve people across the length and breadth of the nation, can only be achieved efficiently and effectively through digital innovations.

Our initiatives are tailored to engage Healthcare Professionals (HCPs) and create digital platforms for them to exchange and learn, which in turn, benefits the people they treat.



### Sanofi Campus India

Our branded knowledge platform that provides HCPs with relevant medical content. Through Sanofi Campus, we significantly drive local HCP engagement.

**~50%**

of overall traffic on Sanofi Campus comes organically



### Elite Academy

Tailored to drive insulin adoption for better diabetes management, Elite Academy was highly successful, as ~60% of our HCPs treating diabetes participated in at least three in a series, of four live sessions with subject matter experts.

**~60%**

attended 3 of four live sessions

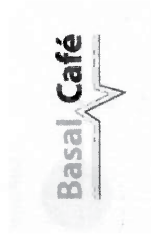


### Podcasts

We created an eight-part podcast series on Venous Thromboembolism (VTE), which was consumed across 110 hours by 1,000+ doctors.

**1,000+**

Doctors through a podcast series



### Basal Café

A digital platform created to increase awareness and preference for basal insulin. 1,350 HCPs experienced an integrated customer journey of 4 eCMEs (e-Continuing Medical Education) over four months. The basal café model is a mentor-mentee cohort model where 1 mentor is assigned to 15 mentees. The feedback for this initiative has been exceptional.

**1,350**

HCPs interacted with mentors



### Social media and radio campaigns

Digital campaign – Since 2020, Jonny Rhodes, an international cricketer living with epilepsy, has partnered Sanofi in our crusade to normalise living with this condition and eradicating taboos and stigmas around it. In 2022, we partnered the widely watched TV news channel 'Times Now' as well as their social media platforms to host a panel discussion and several influencer videos.

Since there is a need to educate people about epilepsy, we are reaching out to people through media, several times a year. Doctors shared their messages through Radio Mirchi covering 26 cities in 19 states.

**~1.8 crores**

Total listeners of the radio campaign

**>50 lakhs**

Total views of the digital campaign

## Committed to a healthier India through social impact

To reverse the course of the diabetes epidemic in India, our people must be aware and seek diagnosis and treatment. Specifically for children with Type 1 diabetes, there is a need for many more doctors, educators and counsellors with required training.



### Instilling educational and behavioural change

- Entered a Public Private Partnership (PPP) in Goa to sensitise children, teachers and parents about Type 1 diabetes and to mitigate the issue of obesity
- Conducted school outreach programmes in 467 secondary schools and educated ~1,900 teachers and ~1,50,000 children since 2019
- Launched two programmes to foster healthier living: 'Sakhar Free Shukrawar' inculcates healthy food choices, and 'STEP' inculcates a daily walking habit



### Early diagnosis for the underprivileged

- Introduced free medical check-ups and follow-up consultations for non-communicable diseases (NCDs) in 10 districts across Maharashtra: Pune, Jalgaon, Parbhani, Satara, Dhule, Sindhudurg, Ratnagiri, Kolhapur, Thane and Mumbai



### All-India Type 1 (T1) diabetes access programme

- Focused on capacity and capability building for Healthcare Professionals (HCPs) and diabetes educators to ensure timely diagnosis and efficient Type 1 diabetes management
- Offered free insulin and related consumables for 1,200+ underprivileged children across the country

1. The Rosary High School, Bambolim, Goa
2. STEP-UP Saturday in Mhaisasa market, Goa
3. Mobile medical van-NCD screening, Mumbai
4. Distribution of treatment products at AIMS, Bhatinda (In frame- Harshman Kaur with her parents)










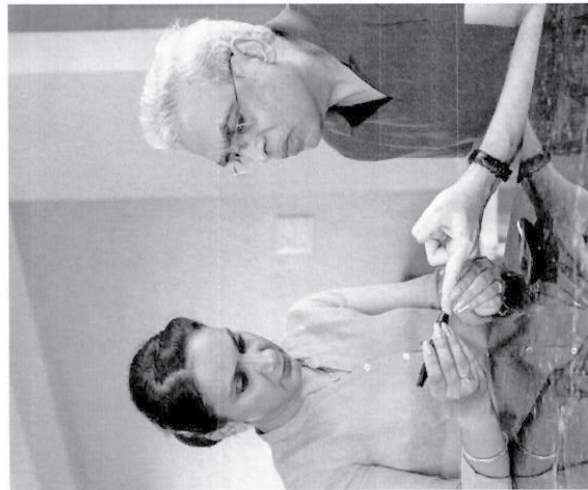
## Product portfolio

# An array of offerings

We have been at the forefront of supplying innovative and affordable medicines to patients in India for the last seven decades. We have earned the trust of our customers and stakeholders for our commitment towards promoting healthcare. While pursuing our purpose of chasing the miracles of science to improve people's lives, we engage across the entire health spectrum from the prevention of various diseases and vitamin deficiencies to wellness, treatment, patient support and capacity-building.

We offer a wide range of medicines for the treatment of diabetes through both insulins and oral medicines. We offer medicines for cardiological issues, thrombosis, epilepsy, allergies, and infections, in addition to providing supplements for vitamin deficiencies. At Sanofi India Limited, we focus on affordable medicines for all. We undertake localised low-cost manufacturing, leading to more than 21% of the portfolio in value terms with a price of less than ₹5 per tablet. Our product portfolio mainly focuses on five therapeutic areas:

-  **Diabetes**
-  **Pain care**
-  **Cardiology**
-  **Allergy**
-  **Epilepsy**



### Diabetes

With our wide range of quality medicines and patient support programmes, we are committed to improving the lives of people with diabetes. We have medicines and medical devices for diabetes treatment. Our insulin portfolio, under the brand name of Lantus®, is very effective for controlling high blood sugar in adults and children with diabetes mellitus.

In 2021, we launched a unique Toustar® pen, along with dedicated Toujeo™ cartridges, addressing the need for a reusable delivery device. The concept of a dedicated cartridge is unique and was pioneered in India

by us. This has augmented the current insulin portfolio, offering an advanced standard of care for patients.

We are producing an oral drug named Amaryl® MV, which belongs to a category of medicines known as anti-diabetic drugs. It is a combination of medicines used to treat Type 2 diabetes mellitus in adults. It helps control blood sugar levels in people with diabetes.

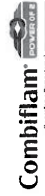
We are creating awareness amongst our customers through our initiative 'INTOLIFE' (www.intolife.in) by means of social media campaigns. Under the aegis of 'INTOLIFE', we have activated a series of programmes to educate people about various aspects

of diabetes management. Some of our diabetes-driven campaigns were targeted at improving the capabilities of healthcare professionals. We are learning the new hybrid way of working and are actively leveraging digital mediums to stay engaged and connected with key stakeholders for diabetes awareness and management.



### Pain care

Combiflam is one of the most widely prescribed pain killers by healthcare professionals (HCPs) to reduce pain and inflammation in conditions like headache, muscle & joint pain, sprains & strains, period pain & toothache. It also reduces fever.



Manufacturing site, Goa

## Product portfolio



### Cardiology

The flagship brand in cardiology, Cardace® group, is an Angiotensin Converting Enzymes (ACE) inhibitor prescribed by cardiologists, diabetologists and consulting physicians alike for controlling high blood pressure. This drug reduces stress on the heart, relaxes the blood vessels and widens them, making it easier for the heart to pump blood around your body, thereby lowering your blood pressure. We are focused on going beyond blood pressure (BP) control for better cardiovascular outcomes, coupled with addressing under-utilisation of ACE inhibitors in post-Myocardial Infarction patients.

**Cardace** ♦

**Allegra**



### Allergy

Our flagship brands Allegra and Avil (in the allergy category) are used for treatment of allergic conditions like allergic rhinitis, chronic idiopathic urticaria, hay fever, allergic conjunctivitis, etc. Allegra is also available as Nasal Spray, named Allegra Nasal Duo, a unique offering apart from tablets and its liquid form. In keeping with our philosophy of partnering with HCPs to deliver better care, Allegra played a leadership role and was instrumental in driving continued medical education during the COVID-19 lockdown, particularly establishing the role of fexofenadine and montelukast in managing allergies.



### Epilepsy

Frisium® is one of our brands developed to treat epilepsy, which is essentially clobazam, which is a 1,5-benzodiazepine with anxiolytic and anti-convulsant properties and can be used as an add-on therapy in patients with epilepsy. Due to its unique properties, it is less sedative and has a lower potential of developing tolerance as compared to other benzodiazepines is suitable for an add-on ASM.

**+Frisium**



Manufacturing site Goa



### Thrombosis

In the anti-coagulant space, Clexane®, a renowned Sanofi brand, is used to stop unwanted blood clots from forming and can stop pre-formed blood clots from growing bigger. The impactful work done towards raising awareness for the risk of Venous Thromboembolism (VTE) led to a significant uptake in VTE prophylaxis rates among hospitalised patients. Our effort is focused on improving VTE management practices and protocols in hospitals, to help improve outcomes for patients.

**CLEXANE**  
Clexane Confidence. That's it.

### Antibiotics

In the resistant Gram+ segment, our anti-infective brand, Targocid® is backed by real life experience of over 20 years. It is used to kill bacteria responsible for infections, which can occur in your blood, bones or joints. Targocid® is generally used when the bacteria causing the infection are not satisfactorily eliminated by other antibiotics or when patients may be allergic to other antibiotics.

**TARGOCID**  
targets staphylococci

### Nutritional health

Vitamin D deficiency continues to plague almost every person in India across strata and geographies. With almost every Indian being Vitamin D3 deficient, health related concerns could range from mild to grave.

Under the brand name DePura Kids, we have developed tablets and a syrup, which help in boosting immunity and promote bone-building, keeping them strong. This drug can be an essential supplement for patients with diabetic complications or cardiovascular diseases.

**DePURA**  
by Sanofi

## Governance

# Upholding the highest standards

We are led by a strong team of experts with diverse industry experience and skillsets. With a focus on meritocracy and empowerment, our leadership provides a strategic direction to our organisation through a decentralised decision-making process. Our corporate governance practices continue to exemplify trust, transparency and integrity, and we hold ourselves and our business partners to the highest level of integrity and accountability.

### Governance structure

Our Board of Directors represents a mix of professionalism, qualification, knowledge, skillsets, integrity, expertise, and diversity of experience. The Board understands the dynamics of our operations and provides guidance in making efficacious decisions to propel our organisation towards growth, while safeguarding stakeholder interests. The Board always acts in good faith, with due diligence and care, keeping in mind the best interests of the shareholders. The Board provides oversight on all economic, environmental and social aspects and reviews our strategy on an annual basis.

### Ethics and compliance

At Sanofi India, our comprehensive Code of Conduct defines the standards of conduct. Corporate values, dealing with corruption, insider trading and conflicts of interest are important components of this document, which we consider our constitution. The Code highlights our

values and principles and provides a guide for ethical conduct to all employees, senior management, third parties and contractors that work on behalf of Sanofi. Each individual must comply with the Code, adhere to the highest ethical standards, report concerns as soon as they are observed and behave with honesty, fairness, and integrity, according to the guidelines set out therein.

### Accountability and transparency

We believe in maintaining open and transparent communication with all our stakeholders. We endeavour to provide comprehensive disclosures regarding our financial and non-financial aspects of business on an ongoing basis.

We also maintain close communication with our stakeholders through various channels accompanied by a robust feedback mechanism. To hold ourselves responsible towards our commitment, we have set up

elaborate governance systems and rules, which are strictly enforced in accordance with the legal framework we operate in. We prevent violations of internal rules by implementing a strong internal control framework, which is defined in our 'Leading with Integrity Handbook'. This document helps us to create an open, values-based culture, where employees understand the importance of compliance and ethics and feel free to discuss and proactively address concerns.

The Handbook prescribes competencies to be inculcated and demonstrated by individuals in their managerial roles to enable them to become good leaders. The Handbook contains clear guidance and tips that managers can use to:

- Enhance employee interactions and drive productivity;
- Reinforce corporate commitment to integrity;
- Embed integrity into daily operations; and
- Build the desired corporate culture



The Handbook also outlines five specific responsibilities for managers, along with tips and practical resources that would help in:

- Communicating team expectations;
- Conducting effective team meetings;
- Supporting ethics and business integrity initiatives;
- Receiving and escalating concerns; and
- Taking disciplinary actions

### Responsibilities of the Board

The Board oversees the functioning of the Company and provides guidance to the operations along with reviewing and approving policies, assessing their effectiveness and taking care of the long-term interests of stakeholders and the organisation.

### Board Committees

The Board has delegated its authority to various Committees. These Committees review the activities with the mandate to deal with governance issues and report to the Board on their activities on periodic basis. Each Committee operates under specific

terms of reference, which speak of its roles and responsibilities, composition and scope of authority.

We have the following Board Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee



### Board composition

- 3 Executive Directors
- 2 Non-Executive Directors
- 3 Independent Directors



### Board age profile

- 2 30-55 Years
- 4 56-70 Years
- > 70 Years icon"/> 2 > 70 Years



### Gender diversity

- 2 Female
- 6 Male

### Membership of associations

We are working with trade associations for matters related to public health, e.g. support for improving access to affordable healthcare through sustainable business practices, pricing policy, development of an eco-system that supports innovation and ethics, etc. We are members of the following trade associations:

- Organisation of Pharmaceuticals Producers of India (OPPI)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Confederation of Indian Industry (CII)

- Indo French Chamber of Commerce and Industry (IFCCI)

- The Associated Chambers of Commerce & Industry of India (ASSOCHAM)

- US India Strategic Partnership Forum (USISPF) g) EBG Federation Mumbai (EBG)

### Public policy advocacy

The pharmaceutical industry is highly regulated, with government and administrative bodies setting the standards for research, intellectual property protection, payment practices, and marketing authorisation procedures.

In our advocacy efforts through the industry associations, we participate in policy discussions that have an impact on the regulatory environment and the Company.

We engage in sustainable interactions with governments and other stakeholders to work toward the joint objective of enhancing the accessibility for the greatest number of patients to the best medications and healthcare products. We have not made any contributions to political organisations, lobbyists, or other tax-exempt groups, during the reporting period. Any such donations, if carried out, are in compliance with regulatory governing requirements and are disclosed as part of our Annual Report.





## Governance

### Our Board of Directors



Mr. Aditya Narayan  
Chairman



Mr. Rodolfo Hrosz  
Managing Director



Mrs. Usha Thorat  
Independent Director



Mr. Rahul Bhatnagar  
Independent Director



Mr. Marc-Antoine Lucchini  
Non-Executive Director



Ms. Ammapurna Das  
Non-Executive Director



Mr. Vaibhav Karandikar  
Whole-time Director  
and Chief Financial Officer



Mr. Matthew Chertan  
Whole-time Director

A Audit Committee

N Nomination and Remuneration Committee

S Stakeholders Relationship Committee

CS Corporate Social Responsibility Committee

R Risk Management Committee

Chairman Member

Governance

*Our leadership team*



**Top row (left to right)**

**Mr. Gourav Bahadur**

Senior Director - HR, India and South Asia

**Mr. Bratin Bag**

Senior Director - Ethics & Business Integrity, South Asia

**Mr. Vaibhav Karandikar**

Whole-time Director and Chief Financial Officer

**Middle row (left to right)**

**Mr. Cherman Mathew**

Whole-time Director

**Ms. Vinita Korti Patil**

Senior Legal Director - South Asia

**Dr. Shafiqi Menon**

General Medicine Medical Head - India, India Medical Lead

**Mr. Limnon Thomas**

Digital Leader - India

**Bottom row (left to right)**

**Ms. Yasmin Shetty**

Senior Director - Regulatory Affairs

**Ms. Aparna Thomas**

Senior Director - Corporate Communications and CSR, India and South Asia

**Mr. Rodolfo Hrosz**

Managing Director

**Ms. Radhika Shah**

Company Secretary and Compliance Officer

**Mr. Nakul Verma**

Senior Director - Public Affairs

## Governance

### Mitigating risks, amplifying efficiency

We are functioning in an ever-changing, uncertain and complex environment. In keeping with it, and with a view to create long-term stakeholder value, foster continuous improvement and innovate and protect Company's assets, we have set up a risk management framework. This framework is in compliance with regulations and industry best-practices.

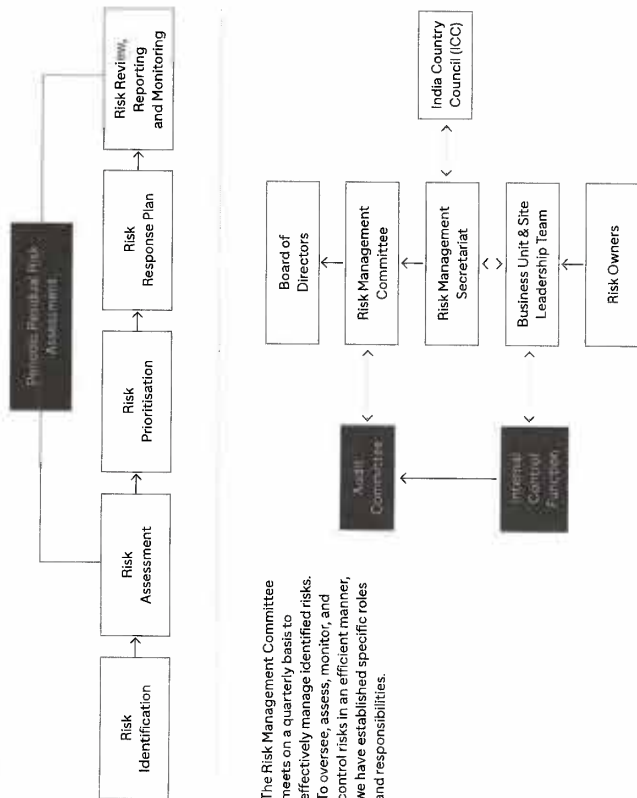
The purpose of our risk management framework is to ensure accountability and competence for managing risks across the organisation. The framework strives to ensure effective, relevant, and timely exchange of

information with internal and external stakeholders, while supporting decision-making processes fully aligned with risk exposure. It also lays down activities for risk identification, monitoring, review, control and risk prioritisation, along with development of a risk response plan. The Risk Management Policy is reviewed periodically, at least once in a year.

#### Risk management governance

The Risk Management Committee is a Board-constituted committee, which works with the Board to

manage the Risk Management Policy, direct implementation, and track and assess its effectiveness. The Risk Management Committee has detailed a stage-wise approach for risk identification. Each business head is responsible for identifying risks, basis which, risk owners are identified to analyse the key contributors to the risks, and subsequently design appropriate risk mitigation plans.

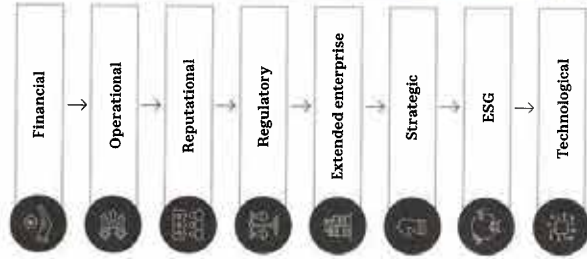


The Risk Management Committee meets on a quarterly basis to effectively manage identified risks. To oversee, assess, monitor, and control risks in an efficient manner, we have established specific roles and responsibilities.

#### Risk management process

Risk identification is an ongoing process. The Risk Register is collated containing potential risks across each of the business units and functions. Each identified risk is assigned to a risk owner, which is decided on the basis of the nature of the risk, the potential impact, and the people responsible for acting on the mitigation plans.

The process enables identification of potential future events that could affect assets critical to the execution of business model of the Company, business units, and enabling functions. The identified risks are categorised under the following categories:



identifying the most appropriate strategies to manage risks and reduce them to an acceptable level. The response planning for each risk balances efforts and benefits for the Company, maintaining its compliance to legal, regulatory and other requirements.

The risk owners review the risks periodically, in line with changes in the internal and external environment in which we operate.

#### Risk culture

We have attempted to consolidate all risks so that the management/Board of Directors have full visibility on the risk events including business, financial, operational, sectoral, sustainability (particularly, ESG-related), information, cybersecurity or any other risk, as may be determined by the Risk Management Committee.

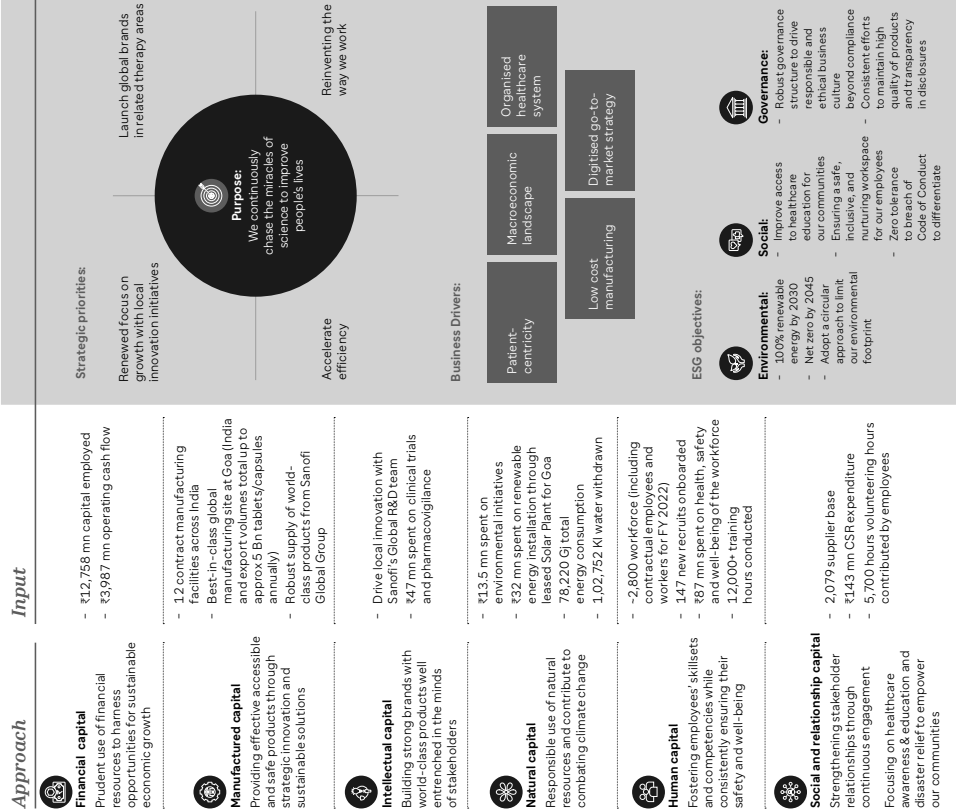
At Sanofi India, we review the risk framework regularly to align with the changing regulatory requirements and to increase maturity and resilience of the Company's risk response mechanism. Risk response planning is an important step that involves





## Value creation model

# Creating shared value for all



Our established Value creation model revolves around our purpose of "Chasing the miracles of science to improve people's lives", which is central to our functioning. Keeping in mind our values and the strategic action areas concerning our business, the value creation model aptly takes into account numerous internal and external factors impacting our business activities and operations. In doing so, the business model aids us in enhancing our positive impacts, while minimising the negative impacts, thereby resulting in the creation of long-term value.

## Output

## Outcome and linkage to SDGs

- Financial capital**
  - Strong cash flow generation
  - Healthy Balance Sheet and stable capital allocation
- Manufactured capital**
  - Access to responsible quality products
  - Robust systems and processes for higher productivity and efficiency at manufacturing facilities
- Intellectual capital**
  - Intensive approach towards invention
  - Responsible assessment of products through clinical trials
  - Minimise pharmaceuticals in environment through innovation
- Natural capital**
  - Minimise environmental impact
  - Reduction in consumption of natural resources
  - Transform to sustainable, circular and Net Carbon Zero material business
- Human capital**
  - Build a nurturing and inclusive workplace
  - Ensure employee well-being and access to healthcare for all
  - Increase in productivity of the workforce by building their skillsets and technical knowledge
- Social and relationship capital**
  - Empowering underserved communities through various CSR initiatives
  - Improving accessibility and affordability of healthcare facilities for vulnerable communities

## Stakeholder engagement

# Prioritising stakeholder interests



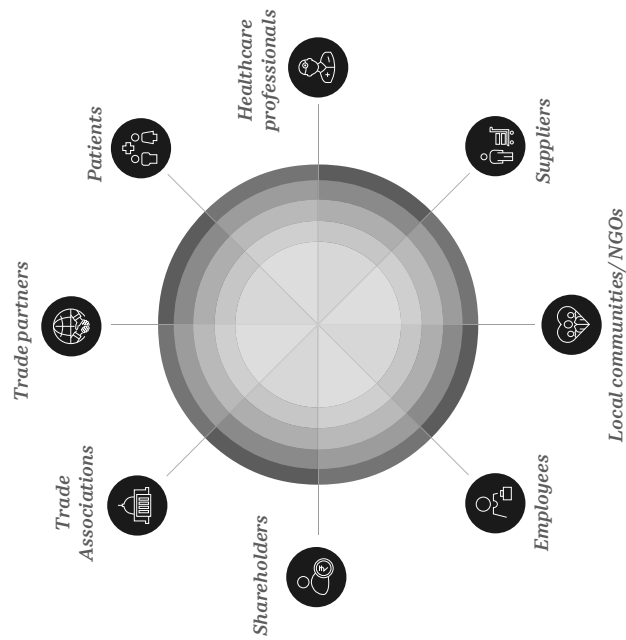
Stakeholder interest and effective engagement with them are of paramount importance to us at Sanofi India. We are committed to building strong and long-lasting relationships with our stakeholders. While doing so, we strive to foster a healthy dialogue with them to understand their needs and expectations. We have adopted a systematic approach towards identifying our key internal and external stakeholders. This has been achieved through peer reviews and analysis of stakeholder groups. We have examined the potential impact

or influence that the stakeholders in question can have on our business operations, in addition to looking at the impact our Company might have on them. Our key stakeholders include patients, healthcare professionals, local communities/NGOs, suppliers, employees, shareholders, trade associations and trade partners.

To promote value-enriching partnerships with stakeholders, we have deployed open, ongoing, and methodical processes with varied channels of communication. Our

diverse stakeholder group allows us to gain holistic insights of their expectations, thus helping us align our business objectives and goals to meet their needs.

Engaging with our stakeholders help us prioritise our resources for sustainability issues that matter the most to our business. Stakeholder communication and involvement are crucial for us to comprehend and include their perspectives in determining our material issues.



## Stakeholder engagement



	Patients	Healthcare professionals (HCPs)	Suppliers	Local communities/ NGOs	Employees	Shareholders	Trade associations	Trade partners
<b>Significance</b> The centre of our business mission and purpose. End users of our products and services								
<b>Frequency of engagement</b> Continuous	The connecting bridge between us and patients	Providers of goods and services	Help us create societal value	Backbone of the organisation that contributes to value creation	Fund allocators	Works with regulators and government bodies for policy changes and industry issues	Provide reach to the patients Provide access to medicines	Periodically / Need basis
<b>Medium of engagement</b> - Market research surveys - Grievance redressal mechanism - Workshops and conferences with patient advocacy groups - Patient support/ assistance programmes	Regular business interactions - Customer surveys - Feedback system - Grievance redressal mechanism - Workshops and conferences - Educational programmes	Emails and meetings - Training workshops - Supplier assessment and review - Supplier grievance mechanism	Need assessment surveys - Regular meetings - Trainings and workshops - Emails and telephonic conversations - CSR reports	Townhall meeting - Training programmes - Employee engagement surveys - Employee engagement programmes - Performance appraisal reviews - Grievance redressal mechanism - Emails and meetings	Annual General Meeting - Quarterly investor reports - Newsletters - One-on-one interactions	Emails and letters - Regular meetings - Policy reports - Collaboration with regulatory bodies - Formal dialogues, conferences and industry forums	Emails and meetings, newsletters - Ensure market fulfilment - Meet the demand and ensure supplies with right inventory management	Periodically / Need basis
<b>Key expectations<sup>1</sup></b> - Gather insights and address patient queries and unmet needs	- Address queries/ unmet needs - Share information on quality of products, scientific data and services - Ensure safety and efficacy of medicine	- Value creation - Long-term business relation - Pricing and negotiation	- Access to healthcare including the right information, health screening management and treatment - Improving quality of life	- Career growth - Training and development - Employee engagement and well-being - Updates and information	- Profitable growth - Consistent return on investments - Continuous operational performance	- Responsible business practices	- Ensure market fulfilment - Meet the demand and ensure supplies with right inventory management	Periodically / Need basis
<b>Our approach</b> - Insights on strengthening R&D and improving productivity - Responding to queries and complaints	- Information in and around the product and therapy area - Focus on strengthening R&D and training product quality - Frequent engagement and understanding of HCPs and patient needs - Responding to queries and complaints	- Supplier development - Promoting local suppliers - Supplier assessments - Promoting shared growth	- Increasing awareness and understanding of diseases - Focus on training to affordable healthcare - CSR activities	- Employee health, safety and well-being initiatives - Improving training and development efforts for behavioural and skill development - Employee engagement and satisfaction - Updates and communication on policies, processes, and systems - Initiatives on culture	- Enhancing enterprise value - Strengthening R&D and improving product quality - Improving profitability - Transparency in disclosure	- Industry issues - Improve the healthcare ecosystem	- Constant evaluation - GHI models - Ensure availability of medicines - Exploring emerging channels of trade	Periodically / Need basis

<sup>1</sup>GRI 102-44: Key topics and concerns raised

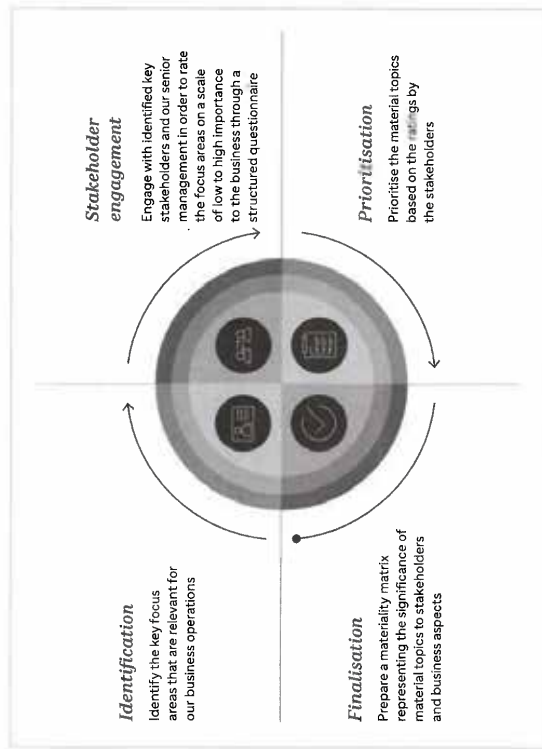
## Materiality assessment

# Focusing on issues that matter

Our materiality assessment was done in alignment with the Sanofi global materiality assessment framework. Globally, Sanofi has identified its material topics based on their relevance and impact on the business as well as its stakeholders. Out of these focus areas, topics which

were relevant to Sanofi India were chosen considering our operating environment. With the objective of integrating a sustainability-focused approach in our business strategy, we have identified our key material topics through consultation with our senior management and identified

stakeholder groups. The materiality assessment exercise was conducted based on Global Reporting Initiative (GRI) standards. A structured process was followed to determine our material topics as mentioned:



## Our material topics

Through our materiality assessment, we have identified 10 key topics as mentioned below:

### Environment



**Resource Consumption**  
Preserving resources by using them efficiently and promoting circular practices.



**GHG emissions**  
Running our operations in a way that GHG emissions are minimised in the entire value chain (scope 1, 2 and 3)

### Social



**Health system strengthening**  
Contributing to improving healthcare infrastructure, healthcare access, and health education (e.g. health literacy, disease prevention awareness)



**Local community engagement**  
Engaging with local communities to understand their needs and desires and take those into consideration (e.g. local employment, community partnerships)



**Talent development**  
Providing training & development opportunities for all employees



**Employee health, safety, well-being and working conditions**  
Providing a safe & healthy (both physical and mental) work environment for all employees and ensuring fair employment practices (e.g. upholding labour rights)



**Safe and qualitative treatments for patients and clinical trial participants**  
Ensuring the safety of our patients and clinical trial participants by providing high quality, safe and effective medicines and recording and communicating



**Diverse and inclusive workforce**  
Offering an inclusive, fair and supportive work environment for all employees

### Governance



**Responsible governance practices**  
Governing our business in a responsible way by considering ESG factors in our operational and strategic business decisions (e.g., remuneration, providing transparency to stakeholders, capital allocation etc.)



**Ethical business practices**  
Running our daily activities in an ethical way (e.g. ethical marketing, lobbying, anti-bribery measures etc.)



## Financial capital



# Maximising returns

At Sanofi India, we strive to make a positive impact on the lives of millions of people. Our operations are backed by rational capital allocation, a dedicated workforce, world-class medicines and strong corporate governance. We always aim to ensure strong cash flow generation and consistent returns for our shareholders, while ensuring the safety and well-being of our stakeholders and creating value for all.

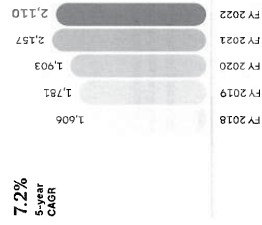
### SDG Linkages



Revenue from operations#  
(₹ in mm)

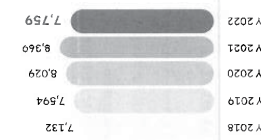


Domestic sales performance: retained business  
(₹ in mm)



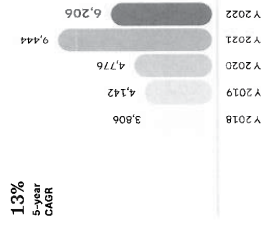
7.2%  
5-year  
CAGR

EBITDA\* performance  
through the cycle (₹ in mm)



2%  
5-year  
CAGR

Profit after tax (PAT)\*\*  
(₹ in mm)



13%  
5-year  
CAGR

\* EBITDA - Earnings before exceptional item

\*\* Includes impact of exceptional items

# Revenue and profits are not comparable due to the divestment and exceptional items involved between the period



## Financial capital

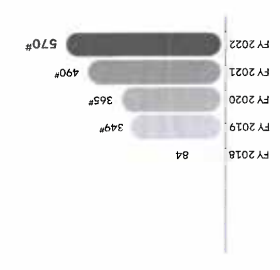
**Net worth**  
(₹ in mn)



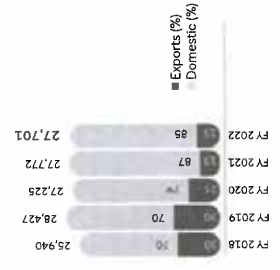
**Return on equity\*\***  
(%)



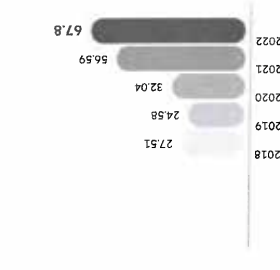
**Dividend per share**  
(₹ in ₹)



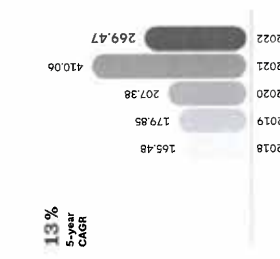
**Sales mix**  
(₹ in mn)



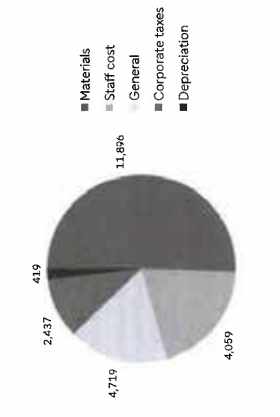
**Return on capital employed**  
(%)



**Earnings per share (EPS)\*\***  
(in ₹)



**FY 2022 revenue distribution**  
(₹ in mn)



\*\* Includes impact of exceptional items  
# Includes special dividend

## Natural capital

### Energy management

Energy management is one of our key business imperatives. Energy consumption is a major source of greenhouse gas emissions, while energy costs have a direct impact on the cost of operations. We are cognizant of the necessity to improve our energy efficiency and are continuously upgrading our energy management systems. To promote this, we strive to make optimum use of existing energy-consuming assets, espouse energy management best practices, and prioritise the implementation of energy-efficient technology.

Our energy consumption needs are mostly met through the electricity grid and renewable energy sources. We used 39.7% of renewable energy in FY 2022 through solar power generation and biomass utilisation. We are using 51.9% of energy from the purchased electricity grid and 6.9% from renewable solar energy.

Our energy consumption details:

Category	Unit	FY 2022	FY 2021	FY 2020
Electricity purchased from the grid - Non-renewable sources	GJ	40,605.14	46,081.03	47,394.76
Direct energy - Fuel consumption	GJ	6,576.12	6,540.64	5,455.31
Electricity purchased from the grid - Renewable energy (Solar)	GJ	3,494.88	-	-
Renewable energy solar generation within the organisation	GJ	1,895.66	-	-
Renewable energy - Biomass consumption	GJ	25,648.00	24,615.00	25,083.60
<b>Total energy consumption</b>	<b>GJ</b>	<b>76,219.80</b>	<b>77,236.67</b>	<b>80,933.67</b>

### Energy conservation

We place high importance on resource conservation while formulating operating strategies. Considering the finite nature of non-renewable energy resources, we are in the process of increasing the use of renewable energy resources wherever possible throughout our business and manufacturing operations. We are committed to lowering the total energy usage by enhancing energy efficiency and incorporating alternate energy sources. We have implemented

efficient monitoring methods to record energy usage throughout our organisation. At our Mumbai office, energy is completely obtained from renewable energy sources and for Goa operations, we have installed a solar panel project of 1,809 kWp to fulfil our energy requirement for FY 2022. We have put together concerted efforts to raise awareness on energy conservation through trainings and awareness programs. We have installed energy-efficient motors and Variable Frequency Drives (VFDs) to increase energy efficiency.

**₹3.2 cr**  
Amount invested in energy management projects in FY 2022

**1,809 kWp**  
Installed capacity of the solar power project in Goa

### The BOOT project, Goa

Our Goa site procured electricity from the Goa Electricity Department, using coal as a primary fuel source in India. We utilised 12 million units of power purchased through the grid in FY 2021. With an aim to adopt a sustainable approach and reduce environmental impacts at our site, we have installed a solar panel with a capacity of 1,809 KWP in September 2022. This project, called BOOT (build, own, operate, transfer), is a funding model, based on a third party arrangement.



### Case study



### Renewable solar energy project, Mumbai

We have installed a photovoltaic cell-based solar power plant at Sanofi India's corporate office in Mumbai. The initiative was spearheaded considering our move towards the use of green energy and mitigation of our carbon footprint. The system capacity is of 104.16 kWp, which helps us to reduce power cost by approximately 10-12% due to a reduction in electricity bills.

### Emissions

The use of fossil fuels and grid electricity contributes significantly to our Scope 1 and Scope 2 emissions. We have set yearly targets, and also installed the required pollution control machinery to track and monitor emissions periodically. Our aim is to minimise GHG emissions and increase the total energy mix of our operations. We are also consciously trying to mitigate emissions by adoption of energy-saving programmes and the installation of energy-efficient equipment.

Our electricity purchased from the grid has decreased as compared to the past year due to installed solar energy units at the Goa factory and Mumbai office.

### Air emissions

We regularly measure our stack emissions for SOx, NOx, and particulate matter (PM) at our Goa site, and Mumbai office. As per the regulatory requirements, we monitor these emissions for DG set and boiler stacks and submit it to the respective State Pollution Control Board. To ensure ambient air quality across our operations, we abide by the National Ambient Air Quality Standards (NAAQS) 2009.

### Environmental compliance

We are committed to abiding by all environmental norms and regulations at all our manufacturing operations and corporate office as set forth by the relevant regulatory authorities. To guarantee and adhere to the legal and regulatory framework, each unit competent HSE teams, who are managing these compliance. All enquiries related to environmental compliance are resolved on a timely basis. During FY 2022, we did not incur any fines or penalties with regard to any environmental violations.

### Summary of Scope 1 and Scope 2 emissions

Category	Unit	FY 2022	FY 2021	FY 2020
Direct GHG (Scope 1) emission	TCO <sub>2</sub> e	486.63	484.01	403.69
Indirect GHG (Scope 2) emission	TCO <sub>2</sub> e	9,136.16	10,368.23	10,663.82
Total absolute GHG emissions	TCO <sub>2</sub> e	9,622.79	10,852.24	11,067.51
(Scope 1 + 2)	TCO <sub>2</sub> e/MT turnover	0.347	0.367	0.381
<b>Total GHG emission intensity</b>				

### Air emissions

Particulates	Unit	FY 2022	FY 2021	FY 2020
NOx	MT	0.053	0.010	0.004
Sox	MT	3.610	3.463	4.506
Particulate matter (PM)	MT	2.093	2.485	2.130
Non-methyl hydrocarbon (NMHC)	MT	0.012	0.015	0.023

## Natural capital

### Water management

We acknowledge the crucial role of water as a basic and irreplaceable natural resource. Our operations are dependent on water and we are cognizant of the impact of our operations. We are committed to focusing on efficient water management across our operations.

#### Water management

Water withdrawal by source	Unit	FY 2022	FY 2021	FY 2020
Groundwater	Kl	1,27,85	39,657	1,25,033
Third-party water	Kl	89,967	52,783	38,620
<b>Total volume of water withdrawal</b>	<b>Kl</b>	<b>1,02,732</b>	<b>92,440</b>	<b>1,63,653</b>

### Effluent management

At Mumbai, more than 65% of water is recycled and the remaining water is discharged to municipal water drain as per consent received from the Maharashtra Pollution Control Board (MPCB). At our Goa operations, we treat all the wastewater generated on site. Currently, treated water is used for horticulture purposes and in restrooms. There is no disposal of wastewater outside the plant boundaries.

### Conserving water resources

We, at Sanofi, always strive to work and contribute for a sustainable world. We have taken series of actions to optimise the uses of natural resources and reduce our environmental impacts. On water sustainability, we have worked and identified areas of action to reduce our water consumption. As part of long-term actions, we have gradually reduced our dependency on groundwater and switched to surface water supplied by Goa Industrial Development Corporation.

Our sustainable approach limits our water footprint and ensures no negative impact on any water source due to our operations. We have taken series of actions for creating awareness amongst our employees towards conservation of water, arresting leakages, optimising processes and innovative initiatives. We have defined our approach to

### Waste management

We are committed to minimising our environmental footprint through reducing waste generation and promoting reuse or recycling of the same. Proper resource utilisation and conservation with good waste reduction practices are the key concerns of being a responsible business.

We integrated best industry practices and adhered to the waste management standards that meet our applicable legal requirements. We have complied with all applicable Health Safety and Environment (HSE) requirements to ensure environmentally sound disposal practices.

Hazardous as well as non-hazardous waste is generated at our Goa site and Mumbai office. Non-hazardous generated waste are diverted from

**700 kl**

Size of the rainwater harvesting tank at Goa in FY 2022 (300kl in the previous year)

**2.3 mn litres**

Water saved by optimising the requirement of rinse water from 15 minutes to 5 minutes during every rinse cycle per year

**Zero**

Waste landfill site

disposed through a deep bury pit constructed on site. At our Mumbai office, biomedical waste are sent for incineration.

### Biodiversity

Biodiversity management is one of our main focus areas, directed towards responsible business practices. We strive to ensure that our operations have the least impact on biodiversity. We have aligned our biodiversity management with Sanofi Global's biodiversity commitment. Sanofi India manages the biodiversity around its sites through its environmental sustainability programme called 'Planet Care'. We actively contribute to protect biodiversity through our

'planet care' roadmap, addressing environmental challenges, such as climate change, waste management, pharmaceuticals in the environment, and water stewardship, among others. Apart from this, at the Mumbai office, our premises are covered with gardens. We are not using any pesticides or insecticides at the office and have also constructed bird nests to support biodiversity.

### Waste management

Particulars	Unit	FY 2022	FY 2021	FY 2020
Total hazardous waste generated	MT	92.75	153.54	135.93
Total non-hazardous waste generated	MT	382.83	368.77	385.00
<b>Total waste generated</b>	<b>MT</b>	<b>475.58</b>	<b>522.31</b>	<b>520.93</b>
Total hazardous waste disposed	MT	0.01	0.00	0.01
Total non-hazardous waste disposed	MT	0	0	0
<b>Total waste disposed</b>	<b>MT</b>	<b>0.01</b>	<b>0.00</b>	<b>0.01</b>
Total hazardous waste diverted from disposal	MT	92.74	153.54	135.92
Total non-hazardous waste diverted from disposal	MT	382.83	368.77	385.00
<b>Total waste diverted from disposal</b>	<b>MT</b>	<b>475.57</b>	<b>522.31</b>	<b>520.92</b>



### Butterfly garden at Sanofi's Goa site

As a part of our commitment to fostering biodiversity at our site, we have taken an initiative for maintaining the ecosystem by developing a butterfly garden. Butterflies play a significant role as indicators of a healthy environment, as plant pollinators and are also a source of food for other organisms. This garden was developed with the help of Goa Biodiversity Board, a government organisation that has guided us in selecting species of plants that would attract butterflies. Needless to say, the beautiful sight of different species of butterflies in the garden is a stress-buster for all the employees. This site is maintained by the Sanofi team under guidance of Goa Biodiversity Board.



## Human capital

### Our achievements in 2022



#### Reflect

**17%**  
Women at Sanofi India

**25%**  
Women at senior leadership (CXO) level

**48%**  
External women hires  
Creation of employee resources for 3 workstreams -

**gender+ pride+ ability+**



#### Unleash

Launch and adoption of **Gender-neutral parental leave, EAP & inclusive job templates**

**100%**  
People Managers covered through CYB in 2021-22

Focus on **sensitisation towards PRIDE and Ability** communities



#### Transform

Launch of **volunteering leave** empowering employees for their contribution to society

Extension in **shift work hours** for

**women employees at Goa factory**

Partnerships with **start-ups** and focus on

**procurement from MSMEs**

### Employee health, safety and well-being

#### Occupation health and safety (OHS)

We have established a well-defined HSE policy and HSE management system with a robust monitoring plan, operating with a multi-year approach, to ensure the effective implementation

of the HSE policy. This system is designed according to the 'Plan-Do-Check-Act' cycle of continual improvement. This approach includes the undertaking of assessments of various risks, such as: workplace risks, fire risks, process safety, ergonomics machinery risk, occupational health and chemical risks and so on. We also have institutionalised an HSE system, which is adopted from the global

### Employee well-being

The health of the workers has several determinants, including risk factors at the workplace leading to accidents, musculoskeletal diseases, and other types of disorders and occupational diseases

Sanofi has taken a multi-disciplinary approach for management of occupational health and ensuring compliance with safe working practices, and maintaining the health and well-being at work.

Suitable measures implemented for prevention of workers from exposure to hazardous environment. It includes the development of comprehensive programs that maintain and enhance employee health, that improve safety and will increase productivity in the workplace.

Health programmes cover prevention against chemical, biological, radiation, physical and psychological hazards. It involves also wellness.

Within Sanofi, this multi-disciplinary approach of occupational health includes:

**Wellness:** Programmes for all employees to develop a healthy individual behavior for managing non communicable disease.

**Biosafety & Biosecurity:** The discipline that addresses the safe handling and containment of infectious micro-organisms and hazardous biological materials.

**Product stewardship:** An international team responsible for the hazard assessment of chemicals and their regulatory management (e.g. Safety Data Sheets).

**Occupational hygiene:** A generalist and controlling exposure on hazards in the workplace that could cause disease.

**Occupational health:** A specialised staff in charge of the medical surveillance of the employees, based on the preventive medicine in order to promote and maintain physical and mental health at the workplace.

The prioritisation of our employees' well-being needs is well ensured, and we are consistently working to create a conducive work environment, one that places great emphasis on each and every employees' long-term well-being.

In order to consistently promote the well-being of both our employees and workers, the provision of health insurance, accident insurance, maternity benefits, paternity benefits as well as day care facilities, are ensured. Our permanent employees and workers are covered 100% for health and accident insurance. All female employees and workers are covered for maternity benefits.

Paying equal attention to developments occurring in our employees' lives, we also provide parental leaves.



Road safety coach certification program

Details about safety-related incidents, which have or have not occurred at Sanofi India

Category	Type	FY 2022	FY 2021
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	2.20	0.66
	Workers	0.00	1.51
Total recordable work-related injuries	Employees	12	4
	Workers	0	1
No. of fatalities	Workers	0	0
	Employees	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

## Human capital



🎉 Celebrating team success

### Details of parental leaves provided and availed

	Number of employees entitled to parental leave		Number of employees who took parental leave		Number of employees, who returned to work after parental leave ended and who were re-employed at Sanofi India Limited	
	Female	Male	Female	Male	Female	Male
FY 2022	376	2,275	10	66	10	66
FY 2021	358	2,565	8	60	8	60
FY 2020	380	3,150	16	69	16	69

Keeping in mind our workforce's retirement plans, we have ensured to cover 100% of all our employees with several types of retirement benefits, such as Provident Fund, Gratuity, Employees' State Insurance Scheme, etc.

Furthermore, for the well-being of our workforce, we have launched an initiative called 'all well', which focuses on the 'healthy mind' and 'healthy

body.' The pillars of this programme engage with four initiatives to prevent non-communicable diseases and decrease absenteeism. The four initiatives include:

- Encouraging consumption of a balanced and varied diet
- Promoting regular physical activity
- Supporting smoking cessation and preventing diseases

- Improving quality of sleep and managing stress

To enable our workforces across all categories of employees and workers, we have in place necessary mechanisms to receive and redress grievances raised by all the employees and workers.

### Learning and development

Contributing to the holistic development of our employee's functional, technical skillsets and competence is imperative to us. To this end, we have closely looked into numerous activities, such as transversal learning solutions, managerial capability building programmes, capacity building interventions helping strengthen the learning culture, and digital campaigns.

We have a learning experience platform, Learning Hub, which comprises a learning management system and also provides access to multiple learning libraries. The provisions made for learning activities and programmes, are guided by the global learning standards, while also being adapted for the Indian market context. At the beginning of this calendar year, we introduced the People Development Learning Institute (PDLI) portfolio, which is made accessible to all our employees and is aimed at cultivating both transversal skills and career management and other competencies.

On the other hand, several types of trainings are provided to our employees, and these include the following: induction training, cross over training, sales training and learning institute curriculum, micro-

learning apps, digital learning institute curriculum, e-learning modules, training on omni-channel and multi-channel engagement, trainings in the form of coaching for line managers and so on and so forth.

Furthermore, we also ventured into the digital learning areas for our employees. The campaigns from our digital learning institute - Discover Digital, have helped enhance the digital learning experience for all our employees. During this calendar year, 12,000 plus hours of trainings were provided to all our permanent employees and workers.

We also have a corporate university structure in place, which provides access to multiple learning institutes. Each of these institutes focuses on the provision of developmental inputs linked to a specific skills portfolio. In the programmes provided, there has been a 10%-20% of participation from the People Development Learning Institute per annum. The quantitative impact for all sales skill development programmes provided are tracked through the NPS scores, whilst the behavioural change is tracked with the help of the field coaching report, knowledge scores and certifications and assessments. Moreover, individual performance appraisal is applicable to all employees at Sanofi India and this is conducted via a global tool operating

with a 4-point rating scale. At Sanofi India, we are also working towards advancing the growth and career development of our women employees and have launched the 'Horizons' programme, which provides access to a networking programme, and a mentoring programme, and also aids with effective career management.

Committed to providing required guidance to our employees and workers regarding their performance and career development trajectories at Sanofi India Limited, we ensure to conduct complete performance and career development reviews, 100% of all our employees and workers are appraised year-on-year basis.

To help understand our employees' viewpoints and concerns, we conduct employee engagement surveys annually. The surveys, provided in an online mode, make use of the external platform Peakon. The employees' responses are received on a scale of 0 (not at all) to 10 (absolutely), and they also have an option to provide a comment, if needed. One of our employee engagement surveys, titled 'Your Voice' looks into several parameters, such as culture, engagement, diversity and inclusion, and health and well-being. The results of all the surveys undertaken are communicated to the Board.



## Social and relationship capital



# Investing in people and relationships

At Sanofi, we understand the importance of valuing our social and relationship capital. We continue to invest in building strong relationships with all our stakeholders, prioritising their needs and concerns. This focus on relationship building has helped us foster long-term partnerships, enhance our reputation, and drive sustainable growth. We remain committed to valuing and nurturing our relationship capital to ensure mutual success and shared value creation.

### SDG Linkages



## Customer relationship management

Concerns and queries raised by customers are addressed in a timely and efficient manner. The majority of the queries are regarding medical information, whilst the remaining set of queries are about general administrative matters, technical aspects of the products, and adverse events. Queries concerning medical information are regarding product usage (in cases of pediatric, geriatric, pregnancy, and breast feeding), dosing, concomitant medication, food interaction, shelf-life and availability of products.

While standard response documents are put in place to address frequently asked questions, we also have in place pathways to facilitate escalation of

queries and concerns, which are not explicitly answered via the frequently asked questions. We ensure to address queries within 24 hours.

As for the processes established to manage product technical complaints, a series of steps are followed to ensure that each and every received complaint is resolved effectively.

Upon receiving a product complaint, it is logged in the local tracker and an acknowledgment is sent to the complainant through e-mail or an SMS. The complaint is then registered on COMET, a global tool, and is assigned to the relevant manufacturing site.

Complaint sample availability is checked from the complainant, and it is sent across to the manufacturing site

for the purpose of investigating the complaint further. Post the completion of investigation, the complaint is declared as closed. If requested, a response regarding the investigation of the particular complaint is sent to the complainant. Lastly, corrective actions may be undertaken wherever needed.

Furthermore, we also conduct various outreach educational programmes to educate doctors, nurses, pharmacists and distributors on a regular basis which aids in fostering a sustained relationship with healthcare professionals.

## Supply chain management

At Sanofi, we understand the importance of maintaining a supply chain that is both secure and sustainable for years to come. Our dynamic supply chain enables us to continuously enhance our efforts in accelerating innovation, and achieving excellence across our product portfolio. We are committed to constantly improving the adaptability and efficiency of our supply chain to support our long-term goals and objectives.

The implementation of various measures to maintain and manage our supply chain in a sustainable manner has been initiated. To help reduce emissions, we have taken into consideration setting up a solar plant in Goa. Secondly, 13.75% of our value chain partners were assessed against health and safety practices, working conditions, and human rights issues which include sexual harassment, discrimination at the workplace, child labour, forced labour/involuntary labour, wages and other issues.

2,079

Supplier base

value chain partners assessed against health and safety practices, working conditions, and human rights

13.75%

Furthermore, in line with Sanofi Global's Sustainable Procurement Policy, our supplier risk assessment takes into account all categories of procurement, and also considers the following risk areas, thereby positioning us to assess our suppliers at a holistic level:

- Macro risks: geopolitical, economic, technological, legal and natural disasters
- Operational risks: supply (single source, dependency), financial, strategic business issues
- Compliance risks: fraud and business ethics issues
- Sustainability risks: environmental, social and governance issues



## Social and relationship capital

We also carry out supply chain due diligence of our critical suppliers to help identify the presence of risks in our supply chain. This process serves as a check-and-balance system to address significant concerns regarding the health and safety practices, environment, and working conditions of our value chain partners. The assessment of our suppliers on sustainability metrics during the

selection, evaluation and onboarding stages is managed through EcoVadis ratings.

Moreover, given that waste produced in the supply chain due to packaging is the major source of waste as observed at the sites, we have worked towards recycling packaging waste materials. These include Polyvinyl Chloride (PVC) and other plastic PPE, paper,

aluminium, glass, etc. We have also undertaken initiatives to change the packaging format of some of our products, to further help reduce the environmental impacts associated with the disposal of packaging materials. As for the hazardous waste materials, they are either incinerated or co-processed at our Goa site as well as the head office location.

## Corporate Social Responsibility (CSR)

### Impacting lives

We are committed to enhance access to quality healthcare to improve the lives of people across communities. While doing so, we are driven to promote the welfare of the underprivileged segments of our societies.

To carry out our CSR objectives and vision, we pay attention to those focus areas wherein we are able to contribute the most to the societies' well-being. Our CSR strategy is in alignment with the United Nations third sustainable development goal 'Good Health and Well-Being'. Further, our CSR commitments are fulfilled keeping in mind our purpose of improving people's life, to enable them to lead healthier lives by tackling primary healthcare issues of accessibility, awareness and affordability.

To help govern as well as streamline the delivery of all the CSR initiatives and programmes, we have established a CSR Committee of the Board.

The responsibility of the CSR

Committee, includes but is not limited to, formulating a CSR policy, providing strategic direction for CSR initiatives, selecting the CSR projects to be introduced, and monitoring the implementation of both the CSR policy as well as the CSR projects. The established CSR governance structure aids us in carrying out a variety of initiatives, thus allowing us to deliver valuable, lasting outcomes for our society.

### Key CSR focus areas

- Promotion of healthcare including preventive healthcare solutions, which are majority concerned with non-communicable diseases
- Promotion of education initiatives related to healthcare services or systems



6 Mobile medical van- NCD screening, Jaipur

support, rather than discrimination. This can be a demanding and expensive condition for both, the affected child and their family to manage. Additionally, optimal T1D management requires significant resources and can be costly.

There is currently no cure for T1D, and if it is not properly managed, it can reduce an individual's productivity and life expectancy. Access to affordable insulin and other necessary medical supplies, as well as the availability of knowledgeable medical personnel, are major issues in the management of T1D. Adding to the complexities of T1D are challenges, such as the lack of diagnosis, social stigma surrounding T1D, lack of refrigeration for the storage of insulin, and lack of patient education. It is also observed that T1D results in social isolation, particularly for girls.

We introduced a social impact programme for Type 1 Diabetes,



6 Government High School, Fatorda-Quepem, Goa

### Social impact programme for type 1 diabetes

Type 1 Diabetes Mellitus (T1D) is on the rise in India, with an annual increase of 3-5%. There are 2.3 lakhs individuals under the age of 20 with T1D. T1D requires a lifetime of specialised care, including diabetes education, multiple insulin injections per day, daily blood glucose monitoring, ongoing screening for and management of chronic complications, psychological support, and societal

Source: [https://diabetesatlas.org/dfawp/resource-lesy2021/07/IDF\\_Atlas\\_10th\\_Edition\\_2021.pdf](https://diabetesatlas.org/dfawp/resource-lesy2021/07/IDF_Atlas_10th_Edition_2021.pdf)

with an aim to improve the health status (mortality and morbidity) of T1D care and support programme by initiating 'Education of Healthcare Professionals (HCPs)' to ensure correct diagnosis and management. This will lead to the reduction in the occurrences of chronic complications. We aim to create a network of T1D educators and provide them with trainings to improve both, their care and management skills. Furthermore, through the programme, we are ensuring that individuals diagnosed with T1D along with their respective care givers, are being educated about the best practices of managing Type 1 Diabetes. Lastly, free treatment, which includes provision of insulin, syringes, lancets, and glucose strips, is provided for the underprivileged patients. RSSDI (Research Society for Study of Diabetes in India), PPHF (People to People Health Foundation) and Diabetes Foundation are our partners for this programme.

must be addressed for those facing challenges with gaining access to quality healthcare, given that early screening services for NCDs are often lacking.

Taking this into consideration, the social impact initiative of establishing mobile medical units in Maharashtra for non-communicable diseases (NCDs) screening and awareness, was introduced. We have been able to successfully deploy the mobile medical units in a total of 10 districts in Maharashtra. This initiative, carried out in partnership with Piramal Swasthya Foundation, can potentially benefit close to 1,50,000 individuals each year.



6 Mobile medical van- NCD screening, Mumbai

### Establishing mobile medical units for non-communicable diseases screening in Maharashtra

healthcare condition reveals the extent to which the primary healthcare in rural areas and urban slums in India remains underdeveloped and faces challenges including shortage of personnel, inadequate resources, and poor infrastructure. The primary healthcare needs, especially regarding non-communicable diseases (NCDs),

Rural parts of India and the urban slums lack basic amenities and have poor health indicators. This poor

## Social and relationship capital



6 Government High School, Fitorpa-Quepem, Goa

### Social impact programme for diabetes and a healthy lifestyle in Goa

According to a survey conducted in 2019, involving 1,497 students in the age bracket of 5-15 years, in the states of Haryana, Goa, Gujarat, and Manipur, two out of every 10 school-going children suffer from hypertension, indicating that the set of risk factors affecting non-communicable diseases (NCDs) is high.<sup>1</sup>

Keeping this in mind, the objective of this social impact programme was to raise awareness on and strengthen knowledge of diabetes prevention, enabling behaviour change for attaining a healthier lifestyle. The programme aims to do so by building the capacities of doctors to improve NCD management, engaging with education systems, principles, teachers and children of secondary schools through the Kids and Diabetes in Schools (KIDS) programme.

Additionally, the programme has helped build a healthier lifestyle for the general public through mass media campaigns and events, such as 'Sakhar Free Shukrawar' and the 'STEP challenge', which encouraged students to lead a healthy life by incorporating walking into their routine and covering 10,000 steps daily for three months, in collaboration with Conexus Social Responsibility Foundation and Departments of Health and Education, Goa.

<sup>1</sup>Source: <https://timesofindia.indiatimes.com/city/delhi/2-in-every-10-school-kids-suffer-from-hypertension/articleshow/67507403.cms>

### Supporting NCDs through other programmes

#### 1) Supporting NCD awareness and screening in Hyderabad

To contribute to the national goal of both reducing mortality as well as morbidity rates occurring due to the NCDs, we supported PPPF to implement the NCD awareness and screening programme in Hyderabad.

We aim to contribute to the national goal by enhancing the level of awareness about timely screening, prevention and management of NCDs amongst communities by improving the healthcare personnel's capacities. This will help in identifying diabetes, hypertension, and cancers in a timely manner, and will aid in recording the learnings achieved through this programme to help extend the



6 NCD screening, Hyderabad



6 Training of frontline workers at the Primary Health Center - Narapally, Medchal-Malkajgiri District, Telangana

#### 2) Building awareness on cervical and oral cancers

Cervical and oral cancers account for 20% of the cancers that are diagnosed in India. In keeping with this, we have introduced a programme for creating awareness about the existence of these cancers and nudging at-risk households/individuals to undergo regular screenings and check-ups and treatment, counselling for patients with head & neck cancers. This programme was initiated in Maharashtra, West Bengal and Telangana in 2021, in collaboration with Indian Cancer Society.



6 Employee volunteering, supporting local communities

### In solidarity with the people of Assam

In association with Americares India Foundation, we initiated a programme to help the survivors of the Assam floods to return to their normal lives by providing the necessary relief support.

### Encouraging our employees to create impact through volunteering

During the year 2022, in partnership with Project Heena, employee volunteering programmes were implemented to support communities under the Health, Education, Environment, and Capacity Building categories.

912 employees also accompanied by their family members successfully participated in numerous virtual and on-ground volunteering activities focused on social causes. Approximately 5,700 volunteering hours were contributed by the employees.

The table below summarises the number of individuals positively impacted through the CSR programmes as well as the finances allocated for these programmes:

CSR programme	Finances Allocated (in ₹)	Beneficiaries
Social impact programme for Type 1 diabetes:	47,633,264	Raised awareness for <b>1,236</b> patients and their caregivers; Increased capacity for treating <b>310</b> patients; Improved access to treatments for <b>1,236</b> patients enrolled
Establishing mobile medical units for non-communicable diseases screening in Maharashtra	56,941,629	Raised awareness for <b>1,45,400</b> individuals; close to <b>25,000</b> individuals were diagnosed with diabetes and were referred to the nearest public health centre for further treatments and management
Social impact programme for diabetes and healthy lifestyle in Goa	10,503,512	Currently conducting behaviour change programmes, where close to <b>57,000</b> children as well as <b>4,30,000</b> community members are participating
Supporting NCDs through other programmes:		
1) Supporting NCD awareness and screening in Hyderabad	10,000,000	Mobilised <b>573,000</b> as well as screened <b>3,40,000</b> individuals; <b>73,000</b> individuals were enrolled for different NCD treatment at government facilities
2) Building awareness on cervical and oral cancers and supporting treatments	8,000,000	22,500,000 reached out through media campaigns for oral & cervical cancers awareness and prevention
Assam flood support	2,000,000	Positively impacted 1,000 families
Encouraging our employees to create impact through volunteering	702,554	912 employees participated through 5,700 volunteering hours.

## Awards and recognition



Sanofi India won the prestigious **ACEF Asian Leader Award** - for ICON - for innovative content marketing in the pharma industry' category.

<sup>4</sup> In picture, Sanofi wins the ACEF Asian Leaders Awards 2022



Toustar® insulin pen has won the **Pharmapack Award 2022** in the Eco-design category! The revolutionary insulin pen also won an award for Excellence in Engineering at the 71st Good Design awards.



Top Employer 2023 by the Top Employers Institute for the **5th consecutive time**.

## It's a Hat-trick!

### Sanofi Social Impact - 3 awards in 2022 for the Goa program

Our Social Impact program **KIDS** (Kids & Diabetes in Schools) and the initiatives **Sakhar Free Shukrawar** & **STEP** have received 3 coveted awards in 2022.



<sup>4</sup> Sanofi India's CSR & Comms team receiving the CSR Box 2022 award from Major Gen. Amit Loomba, Indian Army

Sanofi's KIDS also won a **gold** and a **bronze** recognition at the **CSR Journal Excellence Award** and the **IHW CSR Health Impact Award**, respectively.



<sup>4</sup> Sanofi India's CSR team receiving the IHW CSR Health Impact award from Hon'ble Minister Shri Ramdas Athawale

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6. The Board of Directors of the Company has appointed Ms. Deepthi Kulkarni (Certificate of Practice No. 22502), or failing her, Mr. Omkar Dindorkar (Certificate of Practice No. 24580) Designated Partners of M/s. MMJB & Associates LLP, Sanofi Company Secretaries as Scrutinizer for conducting the voting process of remote e-voting and e-voting during AGM in a fair and transparent manner. The Scrutinizer shall submit his / her report, to the Chairman or any person authorized by him, on the voting in favour or against, if any, within two working days from the conclusion of the Meeting. The results declared along with the consolidated Scrutinizer's Report and the recorded transcript of the meeting shall be placed on the website of the Company at <https://www.sanofindiaid.com/en/investors/azmi/2023>. The results shall simultaneously be communicated to the Stock Exchanges.
7. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice can be inspected in electronic mode by sending a request on email to [igs.sl@sanofi.com](mailto:igs.sl@sanofi.com).
8. The Register of Members of the Company shall remain closed from Saturday, April 29, 2023 to Thursday, May 11, 2023 (both days inclusive).
9. Payment of dividend as recommended by the Board of Directors, if approved at the meeting, will be made on or after May 22, 2023, to those members whose names are on the Company's Register of Members on April 28, 2023 and those whose names appear as Beneficial Owners as at the close of the business hours on April 28, 2023 as per the details to be furnished by the Depositories, viz. NSDL and CDSL for this purpose.
10. In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from April 1, 2020, dividend declared and paid by the Company is taxable in the hands of its Members and the Company is required to deduct tax at source (TDS) from dividend paid to the Members at the applicable rates. A separate email had been sent at the registered email ID of the members describing about the detailed process to submit the documents / declarations along with the formats in respect of deduction of tax at source on the dividend payout. Sufficient time had been provided for submitting the documents / declarations by the Members who are desiring to claim beneficial tax treatment. The intimation will also be uploaded on the website of the Company at [www.sanofindiaid.com](https://www.sanofindiaid.com).
11. Members holding shares in electronic form are advised to keep the bank details updated with the respective Depositories, viz. NSDL and CDSL. Member holding shares in physical form are requested to update bank details with the Company's Registrar and Share Transfer Agents.
12. Pursuant to the provisions of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Amendment Rules, 2017 notified by the Ministry of Corporate Affairs, the Company is required to transfer all shares in respect of which dividend has not been paid or claimed by the Members for seven consecutive years or more in the name of Investor Education and Protection Fund (IEPF) Suspense Account. Adhering to various requirements set out in the Rules, the Company has taken appropriate action for transferring the shares to the Demat Account opened by the IEPF Authority. The Company has also uploaded details of such Members whose shares are transferred to IEPF Suspense Account on its website at <https://www.sanofindiaid.com/en/investors/transfer-of-shares-to-iefp>.
- The shares transferred to IEPF Suspense Account including all benefits accruing on such shares, if any, can be claimed by the Members from IEPF Authority, after following the procedure prescribed under the Rules.
- Pursuant to the provisions of Sections 124 and 125 of the Act, dividends which remain unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account are required to be transferred to IEPF established by the Central Government. The details of unpaid dividend are uploaded on the website of the Company at <https://www.sanofindiaid.com/en/investors/unclaimed-dividends>.
- During the year 2022, the Company transferred unclaimed dividend amounts of ₹ 2,637,180 and ₹ 1,502,856 pertaining to the Final Dividend for the year 2014 and Interim Dividend for the year 2015 respectively, to the IEPF.

Members who have not claimed their dividend for last seven years are requested to write to the Company's Registrar and Share Transfer Agents and claim their dividends. The total amount of unclaimed dividend has been disclosed in the financial statements.

Members are requested to note that the unclaimed dividends will be transferred to the IEPF after the below mentioned last date of claim which has been calculated by adding 37 days and 7 years in the date of declaration:

Dividend and Year	Dividend per Share (₹)	Date of Declaration	Last Date for Claim
Final Dividend 2015	47	29-04-2016	05-06-2023
Interim Dividend 2016	18	22-07-2016	28-08-2023
Final Dividend 2016	50	05-05-2017	11-06-2024
Interim Dividend 2017	18	19-07-2017	25-08-2024
Final Dividend 2017	53	08-05-2018	14-06-2025
Interim Dividend 2018	66	25-07-2018	31-08-2025
Final Dividend 2018	66	07-05-2019	13-06-2026
Final and One Time Special Dividend 2019	349	07-07-2020	13-08-2027
Final and One Time Special Dividend 2020	365	27-04-2021	03-06-2028
Final and One Time Special Dividend 2021	490	26-04-2022	02-06-2029
Interim Dividend 2022	193	26-07-2022	01-09-2029

13. Pursuant to Regulation 39 and Schedule V and VI of the Listing Regulations the Company has transferred unclaimed shares in its Unclaimed Suspense Account details of which are given below:

Particulars	No. of Records	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders/records and the outstanding shares in the Unclaimed Suspense Account	219	204	10,950
Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the year	5	5	250
Number of shareholders/records whose shares were transferred from suspense account to the demat account of Investor Education and Protection Fund under the provisions of Section 124(f) of the Companies Act, 2013	10	10	700
Number of shareholders/records and aggregate number of shares transferred to the Unclaimed Suspense Account during the year	-	-	-
Aggregate number of shareholders and outstanding shares in the Unclaimed Suspense Account lying as on December 31, 2022	204	189	10,000

All Corporate benefits on such shares including dividend shall be credited to the account of the IEPF Authority. The voting rights on shares lying in the Unclaimed Suspense Account shall remain frozen till the rightful owner of such shares establishes his / her title of ownership to claim the shares.

14. SEBI has mandated that securities of listed companies can be transferred only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form, for ease in portfolio management.

15. SEBI has mandated the updation of PAN, contact, Bank account, specimen signature and nomination details, against folio / demat account. PAN is also required to be updated for participating in the securities market, deletion of name of deceased holder and transmission / transposition of shares. As per applicable SEBI Circular, PAN details are to be compulsorily linked to Aadhar details by the date specified by Central Board of Direct Taxes. Members are requested to submit PAN, or intimate all changes pertaining to their bank details,

mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, specimen signature (as applicable) etc., to their Depository Participant ("DP") in case of holding in dematerialised form or to Company's Registrar and Share Transfer Agents through Form SR-1, Form SR-2 and Form SR-3 (as applicable) available at <https://www.sanofindiaid.com/en/investors/shareholder-corner> in case of holdings in physical form.

16. As per the provisions of the Act and applicable SEBI Circular, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with Registrar and Share Transfer Agents or make changes to their nomination details through Form SH-14 and Form SR-3. In respect of shares held in dematerialised form, the nomination form may be filed with the respective DP. For relevant forms, please visit the Company's website at <https://www.sanofindiaid.com/en/investors/shareholder-corner>.

17. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed

companies to issue securities in dematerialized form only, while processing service requests, viz. Issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificates; consolidation of securities certificates/folios; transmission and transposition. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD\_RTAM/BI/CIR/2022/65 dated May 18, 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be. The said forms can be downloaded from the Company's website at <https://www.sanofiindia.com/en/investors/shareholder-corner>.

18. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's Registrar and Share Transfer Agents, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

**E-voting facility:**

- The remote e-voting period will begin on Monday, May 8, 2023 at 9:00 a.m. and will end on Wednesday, May 10, 2023 at 5:00 p.m. During this period members of the Company holding shares either in physical form or dematerialised form as on cut-off date, i.e., May 4, 2023 may exercise their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- A person whose name is recorded in the register of members or in the beneficial owners maintained by depositories as on the cut-off date i.e., May 4, 2023 shall be entitled to avail the facility of remote e-voting as well as e-voting system during the AGM. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of shares held in dematerialised form) as on the cut-off date i.e., May 4, 2023.
- A person who is not a member as on the cut-off date should treat this Notice for information purposes only.
- The voting during the AGM will begin on May 11, 2023 at 3:00 p.m. and will end on completion of 30 minutes from the time of the conclusion of the AGM. Within this period, all Members who are present at the AGM through VC facility and who have not yet exercised their vote through remote e-voting, can exercise their vote electronically.
- The facility for e-voting during the meeting is available only to those Members participating in the meeting through VC facility. If a Member has exercised his / her vote during the AGM through e-voting but not attended the AGM through

VC facility, then the votes casted by such Member shall be considered invalid.

- The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of the Company Secretaries of India ("ICSI"), Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 8, 2020, April 13, 2020 and May 5, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 67th AGM to those Members participating in the 67th AGM to cast vote through e-voting system during the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.
- In line with the Ministry of Corporate Affairs Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.sanofiindia.com](https://www.sanofiindia.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](https://www.bseindia.com) and [www.nseindia.com](https://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-voting facility) i.e., [www.evoting.nsdl.com](https://www.evoting.nsdl.com).

**Instructions for Members for Remote e-voting and Joining General Meeting are as Under:**

The remote e-voting period begins on Monday, May 8, 2023 at 9:00 a.m. and will end on Wednesday, May 10, 2023 at 5:00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., May 4, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being May 4, 2023.

**How do I vote electronically using NSDL e-voting system?**

The way to vote electronically on NSDL e-voting system consists of "Two Steps", which are mentioned below.

**Step 1: Access to NSDL e-voting system**

**A. Login method for e-voting for Individual Shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their demat accounts in order to access e-voting facility.

Login method for Individual Shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p><b>1. Existing IDeAS user</b> can visit the e-Service website of NSDL. Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Service home page, click on the "Beneficial Owner" icon under "Login" which is available under "DeAS" section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider i.e., NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period.</p> <p><b>2. If you are not registered for DeAS e-Service</b>, option to register is available at <a href="https://eservices.nsdl.com/SelectDirectDeasId">https://eservices.nsdl.com/SelectDirectDeasId</a>. Select "Register Online for DeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/e-voting/DeasId">https://eservices.nsdl.com/SecureWeb/e-voting/DeasId</a>.</p> <p><b>3. Visit the e-voting website of NSDL</b>. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under "Shareholder / Member" section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider i.e., NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period.</p> <p><b>4. Shareholders / Members</b> can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p>



Individual Shareholders holding securities in demat mode with CDSL	<p><b>1. Users who have opted for CDSL Eas / Easiest facility</b>, can login through their existing user ID and password. Option will be made available to reach e-voting page without any further authentication. The users to login Eas / Easiest are requested to visit CDSL website <a href="https://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Mysesi Tab and then use your existing my esi username &amp; password.</p> <p><b>2. After successful login of Eas / Easiest</b> the user will be able to see the E-Voting Menu. The Menu will have links of e-voting service provider i.e., NSDL. Click on NSDL to cast your vote.</p> <p><b>3. If the user is not registered for Eas / Easiest</b>, option to register is available at CDSL website <a href="https://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Mysesi Tab and then click on registration option.</p> <p><b>4. Alternatively</b>, the user can directly access e-voting page by providing Demat Account Number and PAN No. in the available on registration page. After successful authentication, the system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP i.e., NSDL where the e-voting is in progress.</p>
Individual Shareholders holding securities in demat mode login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant name with NSDL / CDSL for e-voting facility. Upon logging in, you will be able to see e-voting link on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e., NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p>



**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:eservices@nsdl.com">eservices@nsdl.com</a> or call at Toll free no. 1800 1020 970 and 1800 224 430
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:eservices@cdsindia.com">eservices@cdsindia.com</a> or contact at toll free no. 1800 225 533

B. Login Method for e-voting and joining virtual meeting for Shareholders other than Individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode.

**How to Log-in to NSDL e-voting website?**

- i. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
- ii. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section.
- iii. A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e., Cast your vote electronically.

iv. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12**** then your user ID is IN300***12****
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary ID For example, if your Beneficiary user ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

v. Password details for Shareholders other than individual shareholders are given below:

- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a (.pdf file.) Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account; last 8 digits of client ID for CDSL account or folio number for

shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- ii) If your email ID is not registered, please follow steps mentioned below in process for those Shareholders whose email IDs are not registered.
    - vi. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:
      - a) Click on "Forgot User Details / Password?" (if you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
      - b) Physical User Reset Password? (if you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
      - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) in mentioning your demat account number/folio number, your PAN, your name, and your registered address etc.
      - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
      - vii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
      - viii. Now, you will have to click on "Login" button.
      - ix. After you click on the "login" button, Home page of e-voting will open.
- Step 2: Cast your vote electronically and join General Meeting on NSDL e-voting system.  
How to cast your vote electronically on NSDL e-voting system?  
A. After successful login at Step 1, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle and General Meeting is in active status.

B. Select "EVEN" of company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting.

- For joining virtual meeting, you need to click on "VC / OAVM" link placed under "Join General Meeting".
  - C. Now you are ready for e-voting as the Voting page opens.
  - D. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
  - E. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - F. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  - G. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- General Guidelines for Shareholders**
1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority letter etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [scrutiniser@mmic.in](mailto:scrutiniser@mmic.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details / Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
  3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download



section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 224 430 or send a request to Ms. Pallavi Mishra, Senior Manager - NSDL or Mr. Amit Vishal, Assistant Vice President - NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**Process for those Shareholders whose email IDs are not registered with the depositories for procuring user ID and password and registration of e-mail IDs for e-voting for the resolutions set out in this notice:**

- A. In case shares are held in physical mode please provide Folio No, Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [evoting.investors@linkintime.co.in](mailto:evoting.investors@linkintime.co.in).
- B. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [evoting.investors@linkintime.co.in](mailto:evoting.investors@linkintime.co.in). If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **Step 1(A)**, i.e., **Login method for e-voting for individual shareholders holding securities in demat mode**.
- C. Alternatively, shareholder may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user ID and password for e-voting by providing above mentioned documents.
- D. In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

**The instructions for members for e-voting on the day of the AGM are as under:-**

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members / Shareholders, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

**Instructions for Members for attending the AGM through VC / OAVM are as under:**

1. Member will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for **Access to NSDL e-voting system**. After successful login, you can see link of "VC / OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC / OAVM link placed under "Join General Meeting" menu. The link for VC / OAVM will be available in Shareholder / Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

19 As required by Regulation 36(3) of the Listing Regulations and the Secretarial Standards on General Meetings (SS-2) as laid down by The Institute of Company Secretaries of India, additional information relating to the particulars of Director who is proposed to be re-appointed are given below:

Agenda Item No.	3
Name	Mr. Marc-Antoine Lucchini
Age	58
Qualifications	Graduation (Bio Chemistry Professional)
Brief profile including expertise and experience	Mr. Marc-Antoine Lucchini is a French national who has over 20 years of experience in the pharmaceutical industry. During his career, he has been successfully operating in many different environments in Pharma Operations in France first, and then in the United States in more strategic roles in the company's headquarter. Through the different acquisitions or mergers of the company, he had the opportunity to work in Spain as the General Manager for Iberia, in Egypt and then in France since 2014, to lead the French affiliate, one of the biggest and most complex ones for a French Pharma group. In 2016 he moved to a Regional Role as Head of the European Region for the Primary Care Business Unit in which he was responsible for the European Region and footprint. In 2020, he was appointed Head of the International Region representing 68 countries with a direct reporting of 10 high potential countries of the region amongst which India is a key one. Marc-Antoine has been appointed Head of Foundation General Medicines since February 2021 managing a large legacy business with diverse portfolio and strong brands all over the world.
Directorships in other companies in India	None
Committee Memberships and Chairmanships	He is a member of Nomination & Remuneration Committee of Sanofi India Limited.
Number of Board meetings attended during the year	In the year 2022, Mr. Marc-Antoine Lucchini attended 5 out of 8 Board meeting held during the year
Remuneration last drawn for the financial year 2022	None
Remuneration sought to be paid	N.A.
Terms and conditions of appointment	N.A.
Relationship with other Directors and KMP	None
Date of first appointment on the Board	July 29, 2020
Shareholding in Sanofi India Limited	Nil

**Explanatory Statement**

Explanatory Statement relating to the business mentioned in Item Nos. 4 & 5 in the accompanying Notice of the Annual General Meeting (AGM) is given below.

**Item No. 4**

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of M/s. Kirit Mehta & Co., Cost Accountants, as Cost Auditors to conduct the audit of the cost accounts maintained by the Company for the financial year ending December 31, 2023.

In accordance with the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors must be ratified by the members of the Company. Accordingly, consent of the members is sought for approval of the remuneration payable to the Cost Auditors for the financial year ending December 31, 2023.

The Board recommends the approval of the remuneration payable to M/s. Kirit Mehta & Co., Cost Accountants for conducting the cost audit and passing of the Ordinary Resolution set out at Item no. 4 of the Notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this Resolution.

**Item No. 5**

The Non-Executive / Independent Directors of your Company bring with them significant professional expertise and rich experience across a wide spectrum of business, technology, strategy, policy matters and corporate governance. In line with the Company's Nomination and Remuneration Policy, it is proposed to pay commission to the Non-Executive Directors commensurate with their roles and responsibilities. As per the Policy the Non-Executive Directors are entitled to pay commission as a percentage to profit and the sitting fees for attending the meeting(s) of the Board / Committees of the Board.

The Company had earlier sought approval of the Members for paying commission as approved by the Board, not exceeding 1% (one percent) of the profits of the Company to the Non-Executive Directors, other than the Managing Director or Whole-time Director(s) or Director(s) who are employees of Sanofi or companies of the Sanofi Group, in addition to sitting fees paid to them for attending the Meetings of the Board of Directors or its Committees, for a period of five financial years from January 1, 2019 to December 31, 2023.

It is now proposed to extend the time period for payment of Commission without any change in the maximum limit of 1% (one percent) of the profits of the Company payable to the Non-Executive Directors for a further period of five years starting from January 1, 2024 to December 31, 2028.

Accordingly, the Board recommends the resolution at Item no. 5 of the Notice for approval by the members. The Non-Executive Directors, other than the Managing Director, Whole-time Directors and Directors who are employees of Sanofi or companies of the Sanofi group, are interested in matter to the extent of the remuneration proposed for them.

None of the other Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this Resolution.

By Order of the Board of Directors

Radhika Shah  
Company Secretary  
Membership No: A19308

Registered Office:  
Sanofi House,  
CTS No. 117-B, L&T Business Park,  
Saki Vihar Road, Powai,  
Mumbai – 400072.  
CIN: L24239MH1956PLC009794  
E-mail: [info.sai@sanofi.com](mailto:info.sai@sanofi.com)  
February 23, 2023



**Report of the Directors**

To the Members of the Company

Your Directors have the pleasure of presenting their report and the Audited Accounts of your Company for the Financial Year ended December 31, 2022.

Financial Results	2022	2021
Revenue from operations	27,701	29,566
Other Income	715	744
Total Income	28,416	30,310
Profit before exceptional items and tax	7,323	7,684
Profit before tax	8,643	12,576
Tax expense	2,437	3,132
Profit for the year	6,206	9,444
Other comprehensive income (Net of tax)	5	131
<b>Total comprehensive income for the year</b>	<b>6,211</b>	<b>9,411</b>

The financial results for the year ended December 31, 2022, are not comparable with that of year ended December 31, 2021, due to the following:

- During the previous financial year 2021, the Board of Directors of the Company approved a transaction for the slump sale and transfer of the Company's Nutraceuticals business, on a going concern basis to Universal Nutriscience Private Limited for the consideration of ₹ 5,860 million (after working capital adjustments).
- The Board of Directors of the Company at its meeting held on November 25, 2021, approved the transfer of certain assets namely marketing intangibles, customer lists / database, trade channel knowledge / wholesaler / vendor / supplier database, pharmacovigilance / medical database that are related to the distribution business of Soframycin and Sofraexx conducted by the Company and product inventory to Encube Ethicals Private Limited. The transaction concluded during the year on January 31, 2022 after fulfilment of the underlying conditions and the Company received the full consideration of ₹ 1,369 million including working capital adjustments and consequently, during the quarter ended March 31, 2022.

**Transfer to Reserves**

Your Company does not propose to transfer any amount to the general reserves of the Company.

**Dividend**

Your Directors at their meeting held on February 23, 2023 have recommended payment of final dividend of ₹ 194 per equity share of ₹ 10 each and a second special dividend of ₹ 183 per equity share of ₹ 10 each for the year ended December 31, 2022, considering the business and cash

requirements of the Company. The dividend is subject to approval of members at the ensuing Sixty-Seventh Annual General Meeting (AGM) of the Company.

The dividend, if approved by the Members at the AGM scheduled on May 11, 2023, will result in cash outflow of ₹ 8,683 million.

During the year under review, the Board of Directors approved and paid a one-time special Interim Dividend of ₹ 193 per equity share of ₹ 10 each for the year ending December 31, 2022, which was paid on August 22, 2022.

The total dividend for the Financial Year 2022, including the proposed final dividend and second special dividend, amounts to ₹ 570 per equity share of ₹ 10 each. The normal dividend without exceptional and special dividend results in a payout of 85% of the profits of the Company.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Members. The Company shall, accordingly, make the payment of the dividend after deduction of tax at source. Pursuant to the requirements of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('Listing Regulations'), the Dividend Distribution Policy of the Company is available on the Company's website at <https://www.sanofiindia.com/en/Investors/Corporate-policies>

**Unpaid / Unclaimed Dividend**

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (including amendments and modifications, thereof), ₹ 4.14 million of unpaid / unclaimed dividends were transferred during the year 2022 to the Investor Education and Protection Fund.

**Directors and Key Managerial Personnel (KMP)**

During the year under review, Mr. Rajaram Narayanan (DIN: 02977405) stepped down as the Managing Director of the Company with effect from close of business hours on April 10, 2022. The Board places on record its immense appreciation for his contribution to the Company.

The Board of Directors of the Company at its meeting held on April 18, 2022, based on the recommendation of the Nomination and Remuneration Committee approved the appointment of Mr. Rodolfo Hrosz (DIN: 09609832) as the Managing Director of the Company, with effect from June 1, 2022.

Mr. Rodolfo Hrosz joined Sanofi Group as General Manager of the Consumer Healthcare business in Brazil in 2017 and has successfully led the organisation through several transformative stages, right from its inception to it becoming a top growth contributor and a digital-acceleration reference point within the Sanofi Group.

He has wealth of rich experience from commercial, marketing, and general management roles across several multinational companies. Prior to joining Sanofi, he has worked with Pfizer, LVMH, Heineken and Procter & Gamble in USA and in Brazil.

The shareholders approved the appointment of Mr. Rodolfo Hrosz, as the Managing Director through Postal Ballot conducted in accordance with Section 108 and Section 110 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as "the Act") read with the applicable Rules. Secretarial Standards and the Listing Regulations on June 22, 2022, with requisite majority. The Company has made an application to the Central Government pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, read with Schedule V of the Act and Rules framed thereunder to obtain approval for his appointment, and is awaiting approval.

Further, Mr. Charles Billard (DIN: 08173583) informed the Board vide his letter dated October 26, 2022 that he would like to resign as the Non-Executive Director of the Company, with effect from November 3, 2022, as he was pursuing other opportunities within Sanofi Group. The Board noted and accepted his resignation at its meeting held on November 3, 2022. The Board places on record its immense appreciation for his contribution during his tenure as a Non-Executive Director of the Company.

At the same Board Meeting, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company approved the appointment of Ms. Annapurna Das (DIN: 08634664) as a Non-Executive Non-Independent Director of the Company with effect from November 3, 2022. Ms. Annapurna Das, currently is the Head of Asia, Sanofi Vaccines since June 2022 with responsibility for commercial operations for countries across Asia including India. Prior to this, she was the General Manager,

Sanofi Vaccines, India, since Nov 2019. She has over 23 years of experience and a successful career with major pharmaceutical organisations in India holding roles across sales, marketing, and strategy and business development. The Members approved appointment of Ms. Annapurna Das as the Non-Executive Directors, of the Company through Postal Ballot on December 28, 2022, with requisite majority.

As on the date of this Report, Mr. Rodolfo Hrosz, Managing Director, Mr. Chierian Mathew, Whole-time Director; Mr. Vaibhav Karandikar, Whole-time Director and Chief Financial Officer and Ms. Radhika Shah, Company Secretary & Compliance Officer are the Key Managerial Persons of the Company.

Mr. Aditya Narayan, Chairman, Mrs. Usha Thorat, Chairperson of the Audit Committee and Nomination and Remuneration Committee and Mr. Rahul Bhatnagar, Chairman of Stakeholder Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee are the Independent Directors of the Company.

The Company has received declarations from all Independent Directors that they meet the criteria of independence as laid down under Section 149(6) of the Act and the Listing Regulations and they have registered themselves with the Independent Director's Database maintained by the IICA (The Indian Institute of Corporate Affairs) in the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are independent of the Management.

Mr. Marc-Antoine Lucchini, Non-Executive Director (DIN: 08812302) is liable to retire by rotation at the ensuing Sixty-Seventh Annual General Meeting and being eligible offers himself for re-appointment. The Board of Directors recommend his re-appointment to the Members.

**Cash Flow and Consolidated Financial Statements**

As required under Regulation 34 of the Listing Regulations, a Cash Flow Statement is part of the Annual Report. The Company does not have any subsidiaries and hence not required to publish Consolidated Financial Statements.

**Management Discussion and Analysis**

As required by Regulation 34(2) of the Listing Regulations, a Management Discussion and Analysis Report forms part of this Report.

The state of the affairs of the business along with the financial and operational developments has been discussed in detail in the Management Discussion and Analysis Report.

**Business Responsibility and Sustainability Report**

The Business Responsibility and Sustainability Report for the year ended December 31, 2022, forms part of this Report.

**Report on Corporate Governance**

As required under Regulation 34 of the Listing Regulations, a Report on Corporate Governance along with a Certificate of Compliance from the Statutory Auditors is part of this Report.

**Conservation of Energy, Technology Earnings and Outgo**

Information on Conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo pursuant to Section 134(3)(iv) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in Annexure - A to this Report.

**Subsidiaries, Associate Companies and Joint Ventures**

Your Company does not have any subsidiaries, associate companies or joint ventures.

**Meetings of the Board**

During the year under review, Nine (9) meetings of the Board were held. The dates, attendance of the Directors and other details of the meetings are given in the Report on Corporate Governance. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Act and Listing Regulations.

**Familiarization Program for Independent Directors**

The Independent Directors are regularly informed during meetings of the Board and Committees on the business strategy, business activities, manufacturing operations, updates on the pharmaceutical industry and regulatory updates. The Directors when they are appointed are given a detailed orientation on the Company, pharmaceuticals industry, Sanofi Global strategy, policies and Code of Conduct, regulatory matters, business, financial matters, human resource matters and Corporate social responsibility initiatives of the Company. The details of familiarisation programs provided to the Directors of the Company are mentioned in the Report on Corporate Governance and on the Company's website at <https://www.sanofiindia.com/en/investors/corporate-policies>.

**Performance Evaluation of the Board**

During the year under review, the performance evaluation of the Board, Committees and Directors was conducted based on the criteria, framework and questionnaires approved by the Nomination and Remuneration Committee and the Board. The details of the performance evaluation exercise conducted by the Company are set out in the Report on Corporate Governance.

**Nomination and Remuneration Policy & Remuneration of Directors, Key Managerial Personnel and Senior Management**

During the year under review, the Board of Directors approved the revised Nomination and Remuneration Policy of the Company which now captures the Company's Leadership Framework for its employees and explains the principles of the overall remuneration including short-term incentive and the long-term incentive payable to the Executive Directors, Key Managerial Personnel, Senior Management, and other employees of the Company. The Policy also provides guidance on selection and nomination of Directors to the Board of the Company and appointment of the Senior Management Personnel of the Company. The remuneration paid to the Executive Directors, Key Managerial Personnel and Senior Management is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and the Listing Regulations. Further details form part of the Report on Corporate Governance and a Statement of Disclosure of Remuneration pursuant to Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided as Annexure - B to this Report.

The statement showing particulars of employees pursuant to Section 197 of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not being sent to the Members along with this Annual Report in accordance with the provision of Section 136 of the Act. Any person interested in receiving the said statement may write to the Company Secretary stating their Folio No./ DPID & Client ID.

**Audit Committee**

Details pertaining to composition and re-constitution of the Audit Committee are included in the Report on Corporate Governance. All the recommendations made by the Audit Committee were accepted by the Board.

**Vigil Mechanism**

As per the provision of Section 177(9) of the Act and Regulation 22 of the Listing Regulations, the Company is required to establish a Vigil Mechanism. The Company's Code of Conduct, Whistle blower and other Governance Policies lays out the principles of highest ethical standards. The details of the Whistle blower Policy are provided in the Report on Corporate Governance forming part of this Report.

**Related Party Transactions**

All related party transactions, which were entered into during the year under review were on arm's length basis and in the ordinary course of business. There were no materially



significant related party transactions by the Company with the Promoters, Directors and Key Managerial Personnel which may have a potential conflict with the interests of the Company at large.

The Company adopted the revised Policy on Materiality of Related Party Transactions and also on Dealing with Related Party Transactions in line with the amended Listing Regulations. The policy is available on the Company's website at <https://www.sanofiindia.com/en/investors/corporate-policies>. The Form AOC - 2 envisages disclosure of material contracts or arrangements or transactions at arm's length basis. The details of the material related party transactions for the Financial Year ended December 31, 2022, as per the Policy on dealing with related parties adopted by the Company are disclosed in **Annexure - C** to this Report. The Company had extended a loan of ₹ 4,450 million to Sanofi Healthcare India Private Limited which has been fully repaid in the month of July 2022. Accordingly, the said material related party transaction stands closed.

The Company has entered into material related party transactions with Sanofi-Aventis Singapore Pte. Ltd., and Sanofi-Healthcare India Private Limited for purchase and sale of products and services. These transactions were in the ordinary course of business and at arm's length duly certified by third-party experts. The transactions were within the limits approved by the Members.

#### Corporate Social Responsibility

The Board has constituted a Corporate Social Responsibility (CSR) Committee to monitor the implementation of CSR activities of your Company. The details of the composition of the CSR Committee, CSR policy, CSR initiatives and activities undertaken during the year are given in the Annual Report on CSR activities in **Annexure - D** to this Report.

#### Risk Management

Your Company has implemented a mechanism for risk management and formulated a Risk Management Policy. The policy provides for the creation of a risk register, identification of risks and formulating mitigation plans. Your Company has also constituted a Risk Management Committee, details of which are disclosed in the Corporate Governance Report. As per the governance process described in the Policy, the Risk Management Committee reviews the risk identification, risk assessment and minimisation procedures on quarterly basis and updates the Audit Committee and the Board periodically.

The key risks impacting the Company are discussed in the Management Discussion and Analysis section forming part of this Report.

#### Deposits from Public

Your Company has not accepted any deposits from the public and as such no amount of principal or interest on deposits from the public was outstanding as on the date of the Balance Sheet.

#### Loans, Guarantees or Investments

The Company has not granted any loan or provided any guarantees to or invested in securities of any other body corporate during the year. The Company had extended a loan of ₹ 4,450 million to Sanofi Healthcare India Private Limited which has been fully repaid in the month of July 2022.

#### Directors' Responsibility Statement

As required by Section 134(3) of the Act, your Directors, to the best of their knowledge and belief, confirm that:

1. in the preparation of the annexed accounts for the Financial Year ended December 31, 2022 all the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year, 2022 and of the profit of the Company for that year;
3. your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; the said accounts have been prepared on a going concern basis;
4. internal financial controls to be followed by the Company have been laid down and that internal controls are adequate and were operating effectively; and
5. proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems are adequate and operating effectively.

#### Cost Audit

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost records. The accounts and records are made and maintained by the Company and are required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed M/s. Kirit Mehta & Co., Cost Accountants to audit the cost accounts maintained by the Company for the financial year ending December 31, 2023.

As required by the Act, the remuneration payable to the Cost Auditor is required to be placed before the members in General Meeting for their ratification. Accordingly, a resolution seeking ratification of the remuneration payable to M/s. Kirit Mehta & Co. as approved by the Audit Committee and Board is included in the Notice convening the Annual General Meeting of the Company. In the opinion

of the Directors, considering the limited scope of audit, the proposed remuneration payable to the Cost Auditors would be reasonable and fair and commensurate with the scope of work carried out by them.

#### Auditors

Previous year, M/s. Price Waterhouse & Co. Chartered Accountants LLP (Firm Registration Number 304026E / E-300009) were re-appointed as Statutory Auditors of your Company for a further period of Five (5) years, to hold office from the conclusion of the Sixty-sixth AGM held in the year 2022, until the conclusion of the Seventy-first AGM to be held in the year 2027.

The Statutory Auditors have issued an unqualified audit report on the annual accounts of the Company for the year ended December 31, 2022.

#### Reporting of Fraud by Auditors

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Act, details of which needs to be mentioned in this Report.

#### Prevention of Sexual Harassment Policy

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year 2022, the Company did not receive any complaint of alleged sexual harassment. As on December 31, 2022, no complaints related to sexual harassment are pending for disposal.

#### Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Directors had appointed M/s. Walkerand M. Joshi & Co., a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of your Company for the year ended December 31, 2022.

The Secretarial Auditors have issued an unqualified audit report for the year ended December 31, 2022. The comments made by the Secretarial Auditors are self-explanatory. Their report is annexed herewith as **Annexure - E** to this Report.

#### Secretarial Standards

The Company has complied with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and adopted under the Act.

#### Annual Return

As required under Section 92(3) of the Act, Annual Return is hosted on the website of the Company at <https://www.sanofiindia.com/en/investors/annual-return>.

#### Material Changes and Commitments After the Financial Year

No material changes and commitments have occurred after the closure of the Financial Year ended December 31, 2022 till the date of this Report, which would affect the financial position of your Company.

There has been no change in the nature of business of your Company.

#### Significant and Material Orders passed by the Regulators / Courts / Tribunals

No significant or material orders were passed by the Regulators or Courts or Tribunals which impacts the going concern status and Company's operations in future.

#### Acknowledgements

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Board also places on record its appreciation for the support and co-operation that your Company has been receiving from the medical fraternity, suppliers, distributors, retailers, business partners, government departments both at Central & State level and all other stakeholders.

On behalf of the Board of Directors

Aditya Narayan  
Chairman

February 23, 2023  
DIN: 00012084

## Annexure – A to the Report of the Directors Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Statement containing particulars pursuant to Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors for the year ended December 31, 2022.

### A. Conservation of Energy

Aligned to Sanofi group's commitment towards mitigating climate change, to the trajectory of limiting global warming by 1.5 °C, we have targeted to achieving carbon neutrality by 2030 and Net Zero by 2050. Thus, energy management becomes one of our key requirements for running and governing our business. Energy consumption is one of the major sources of greenhouse gas emissions, while energy costs have a direct impact on the cost of operations. We are increasingly cognizant of the necessity to improve our energy efficiency and are continuously upgrading our energy management systems. To promote this, we strive to make optimum use of existing energy-consuming assets, promote energy management best practices, help prioritize the implementation of energy-efficient technology. Energy consumption includes energy consumption at our operations, buildings, and offices.

Our energy consumption needs are mostly met through the electricity grid and renewable energy sources. We used 36.7% of renewable energy in Financial Year 2022 through solar power generation and biomass utilization. We are using 51.9% of energy from the purchased electricity grid and 6.9% from renewable solar energy. However, 8.4% of energy is consumed using fossil fuel sources.

### Energy Conservation measures undertaken in 2022:

- GoS factory**
- HVAC energy optimization project for production -2 building completed. For production -1 building, work is in progress and is expected to be completed by 2024. Once the project is executed, this will generate good savings.

- 1.8 MW Solar power system installed under Onex model, this will reduce 22% CO2 emission for Goa Site and will generate annual savings of ₹ 4.4 Million for next 15 years.

- In 2022 a multi-site ISO 50001 certification was launched. Such certification attests to the effectiveness of our sites' energy management systems.
- In Financial Year 2022 we have increased our overall load (corporate offices and manufacturing site) on renewable sources by 5%. Which means 39.7% of total energy consumed are green energy.
- Biomass used for Steam Generation is helping to reduce dependency on fossil fuel
- Upgradation of the existing facility of Solid oral line to meet the state of art technology.
- White Color sheets for lesser heating for technical areas

- Deployed robust mechanism by using automation and digital tools to collect equipment wise Equipment efficiency data, to ensure our equipment's are used efficiently with less wastage. For blister packaging line 10, already completed for other lines work is in progress.

### Mumbai Office

- At our Mumbai office 100% of energy procured is green energy.
- Solar power plant installed at roof top of Mumbai office with capacity of 104.16 KWP.
- As Mumbai office is already LEED Platinum certified, energy efficient design aspects are already built in. Operational aspects optimized for energy conservation, including managing settings of HVAC systems, automation, LED lightings, awareness

- initiatives, switching off lights during lunch break, efficient use of diesel generator sets, managing and monitoring equipment efficiency etc.
- c. Whether the technology has been fully absorbed: Not applicable
- d. If not fully absorbed, areas where absorption has not taken place and reasons thereof: Not applicable

### B. Technology Absorption:

#### Research and Development (R & D):

- Efforts in brief made towards technology absorption:  
The Company on an on-going basis takes steps to enhance its technical expertise for pharmaceutical formulations. The Company puts emphasis on innovation in its operations.

The Company has benefited substantially as a result of the emphasis on innovation. Developing product line extensions, improvement in product quality, operational excellence projects, technology transfer of products and reduction in energy consumption are some of the benefits derived as a result of above efforts carried out during the year under review.

- Benefits derived as a result of the above efforts:  
The Site further adopted automated technology and installed new equipment which met Sanofi Quality and HSE standards.

Imported technology (imported during the last 3 years reckoned from the beginning of the financial year):

- The details of technology imported: Nil
- The year of import: Not applicable

- Imported technology (imported during the last 3 years reckoned from the beginning of the financial year):

February 23, 2023  
Aditya Narayan  
Chairman  
DIN: 00012084

- Expenditure on Research and Development
  - Capital ₹ Nil
  - Revenue ₹ Nil
  - Total ₹ Nil
  - Total R&D expenditure as a percentage of total turnover: Not applicable

#### Foreign Exchange Earnings and Outgo

- Total Foreign Exchange used ₹ 4,036.77 Million
- Total Foreign Exchange earned ₹ 3,904.02 Million

On behalf of the Board of Directors  
February 23, 2023

February 23, 2023  
Aditya Narayan  
Chairman  
DIN: 00012084

## Annexure - B to the Report of the Directors Statement of Disclosure of Remuneration

Information pursuant to Section 134(3)(g) and Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended December 31, 2022 and forming part of the Directors' Report for the said year.

### A. Ratio of the remuneration of each Executive Director to the Median remuneration of the Employees of the Company.

Name of the Director	Designation	Ratio of remuneration of each Executive Director to median of remuneration of Employees
Mr. Rodolfo Hroz	Managing Director	24.1
Mr. Cherian Mathew	Whole-time Director	27.1
Mr. Vaibhav Karandikar	Whole-time Director and Chief Financial Officer	20.1

Percentage increase in remuneration of each Executive Director, Chief Financial Officer (CFO), Chief Executive Officer and Company Secretary:

Name of the Director and KMP	Designation	Percentage increase in remuneration (%)
Mr. Rodolfo Hroz*	Managing Director	Not Comparable
Mr. Cherian Mathew	Whole-time Director	5.1
Mr. Vaibhav Karandikar	Whole-time Director and Chief Financial Officer	5.5
Ms. Radhika Shah†	Company Secretary	Not Comparable

\* Details not given as he was Managing Director for part of the Financial Year 2022

† Details not given as she was Company Secretary for part of the financial year 2021

Notes:

- The Independent Directors of the Company are entitled to Sitting Fees and Commission as per the statutory provisions. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report. Sitting fees is paid based on the number of meetings attended by an Independent Director and hence the % increase is not comparable.
  - Non-Executive Directors who are employees of Sanofi group do not receive do not receive any Sitting Fees or Commission.
  - Director / KMP who resigned during the year have not been included in the above statement.
- B. The percentage increase in the median remuneration of employees in the financial year: 6.82%**
- C. The number of permanent employees on the rolls of the Company as on December 31, 2022: 2,651**
- D. Average percentile increase already made in the salaries of the employees other than the managerial personnel in last financial year and comparison with percentile increase in the managerial remuneration and justification thereof:**
- The average percentile increase in salaries of the employees other than managerial personnel was 7% and for managerial remuneration it was 5.3%.  
The increases are a function of the Company's market competitiveness within its comparator group as ascertained through the detailed salary benchmarking survey the Company undertakes annually and reflects the Company's reward philosophy along with creating differentiation based on Performance Impact levels.

### E. Affirmation that the remuneration is as per Remuneration Policy of the Company:

It is hereby affirmed that the remuneration paid to the Directors and Employees is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors

Aditya Narayan  
Chairman  
DIN: 00012084

February 23, 2023

## Annexure - C to the Report of the Directors

### Form No. AOC-2: Material Related Party Transactions

[Pursuant to clause (b) of sub-section (3) of Section 184 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Act including certain arm's length transactions under third proviso thereto.

### A. Details of contracts or arrangements or transactions not at arm's length basis during the year ended December 31, 2022:

Nil

### B. Details of material contracts or arrangements or transactions at arm's length basis during the year ended December 31, 2022:

Sr. No.	Particulars	Details of Transaction - 1	Details of Transaction - 2	Details of Transaction - 3
1.	Name(s) of the related party	Sanofi-Aventis Singapore Pte. Ltd.	Sanofi Healthcare India Private Limited (formerly known as Shantha Biotechnics Private Limited) (SHPL)	Sanofi Healthcare India Private Limited (formerly known as Shantha Biotechnics Private Limited) (SHPL)
2.	Nature of relationship	Related Party in Sanofi Group where Common control exists	Related Party in Sanofi Group where Common control exists	Related Party in Sanofi Group where Common control exists
3.	Nature of contracts / arrangements / transactions	Purchase, sale, transfer or receipt of products, goods, active pharmaceutical ingredients or services or other obligations, if any, for an amount not exceeding in aggregate ₹ 25,000 million in each financial year.	Loan up to ₹ 4,450 million*	Purchase, sale, transfer or receipt of products, goods, active pharmaceutical ingredients or services or other obligations, if any, for an amount not exceeding in aggregate ₹ 1,00,000 million in each financial year.
4.	Duration of contracts / arrangements / transactions	Ongoing	Up to April 15, 2023	For period of five years commencing from Financial Year 2022 to Financial Year 2026
5.	Salient terms of the contracts or arrangements or transactions including the value, if any	On arm's length basis and in the ordinary course of business. The total value of the transactions in the financial year was ₹ 6,459 million.	On arm's length basis and in the ordinary course of business. The total value of the transactions in the financial year was ₹ 13,7 million.	On arm's length basis and in the ordinary course of business. The total value of the transactions in the financial year was ₹ 4,910 million.
6.	Date of approval by the Board	February 27, 2017	February 27, 2017	February 14, 2022**
7.	Amount paid as salaries, if any	None	None	None

\* During the year SHPL had repaid the loan of ₹ 4,450 million to the Company and thus there was no amount outstanding as on December 31, 2022. Accordingly, the said material related party transaction status closed.

\*\* The transaction was approved by the Board through a circular resolution dated February 14, 2022 and subsequently noted at the meeting of the Board held on February 23, 2022.

The aforesaid transactions have been approved by the Audit Committee and shareholders with requisite majority. They are in the ordinary course of business and at arm's length.

On behalf of the Board of Directors

Aditya Narayan  
Chairman  
DIN: 00012084

February 23, 2023



## Annexure – D to the Report of the Directors

### Annual Report on Corporate Social Responsibility Activities

#### 1. Brief outline on CSR Policy of the Company:

The Company's approach towards Corporate Social Responsibility (CSR) is to focus in areas where it can make a difference and have the most impact. The Company will leverage its expertise and resources to improve access to quality healthcare for people.

The Company aims to partner projects in Diabetes, Hypertension, Cardiovascular Disease and Cancer by sharing its expertise and experience. The Company believes that to make a meaningful impact, it needs to partner with the Government and like-minded organizations. Accordingly, it engages in Public-Private Partnership (PPP) projects aimed at effectively and transparently implementing healthcare programs for marginalized communities.

#### 2. Composition of CSR Committee:

Sr. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee during the year	Number of meetings of CSR Committee during the year
1.	Mr. Rahul Bhatnagar	Chairman, Independent Director	3	3
2.	Mrs. Usha Thorat	Member, Independent Director	3	3
3.	Mr. Rajaram Narayanan*	Member, Managing Director	3	1
4.	Mr. Rodolfo Hrosz**	Member, Managing Director	3	2

Note: \* Resigned as Managing Director w.e.f. April 10, 2022 and accordingly ceased to be a Member of CSR Committee as on said date.  
\*\* Appointed as Managing Director and Member of CSR Committee w.e.f. June 1, 2022.

#### 3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

The web-links are as follows:

Composition of CSR Committee: <https://www.sanofiindia.com/en/investors/board-of-directors-and-board-committees>

CSR Policy: <https://www.sanofiindia.com/en/investors/corporate-policies.com>

CSR projects: <https://www.sanofiindia.com/en/investors/disclosures/other-disclosures>

#### 4. Provide the executive summary along with the web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: There are no projects completed during the Financial Year 2022 for which impact assessment is applicable.

- (a) Average net profit of the company as per sub-section (5) of section 135: ₹ 7,144 million

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 142.9 million

(c) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years: Nil

(d) Amount required to be set off for the Financial Year, if any: Nil

(e) Total CSR obligation for the Financial Year [5(b)+5(c)+5(d)]: ₹ 142.9 million
- (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 1,35,781,059

(b) Amount spent in Administrative Overheads: ₹ 71,45,000

(c) Amount spent on Impact Assessment, if applicable: NA

(d) Total amount spent for the Financial Year [6(a)+6(b)+6(c)]: ₹ 1,42,926,059

#### (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)	
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135	Amount transferred to any fund specified under Schedule VII as per section (5) of section 135
142.9 million	Nil	NA

#### (f) Excess amount for set off, if any:

Sr. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	142.9 million
(ii)	Total amount spent for the Financial Year	142.9 million
(iii)	Excess amount spent for the Financial Year [(i)-(ii)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available to set off in succeeding financial years [(iii)-(iv)]	-

#### 7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sr. Preceding No. Financial Year(s)	1	2	3	4	5	6	7	8
1. 2021	37 Million	37 Million	37 Million	37 Million	37 Million	37 Million	Nil	Nil

#### 8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes

No

#### 9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: Not Applicable

Rahul Bhatnagar  
Chairman CSR Committee  
DIN:07268004

On behalf of the Board of Directors  
Mr. Rodolfo Hrosz  
Managing Director  
DIN: 09609832

Annexure - E to the Report of the Directors

FORM NO. MR. 3  
SECRETARIAL AUDIT REPORT

For the Financial Year Ended December 31, 2022  
(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,  
The Members,  
Sanofi India Limited,  
Sanofi House,  
CIS No.1,17-B, L&T Business Park,  
Saki Vihar Road, Powai,  
Mumbai - 400072

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on December 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, (External Commercial Borrowings and Overseas Direct Investment are not Applicable to the Company during the Audit Period);

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sanofi India Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial, and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company's officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on December 31, 2022 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

(g) The Securities and Exchange Board of India (Listing of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)** and

Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations.

(h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. **(Not Applicable to the Company during the Audit Period)**

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except few meetings were convened at a shorter notice for which necessary approvals obtained as per applicable provisions), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

(i) Secretarial Standards issued by The Institute of Company Secretaries of India

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder; (Listing Regulations)

**We further report that**, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the following law applicable specifically to the Company:

- Drugs and Cosmetics Act, 1940 & Rules there to
- Drugs Price (Control) Order, 2013
- Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954.
- Narcotic Drugs and Psychotropic Substances Act, 1985
- Food Safety and Standards Act, 2006
- Legal Metrology Packaged Commodities Act.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. made there under. **Further, Company has delayed in two instances for annual routine submissions to Stock Exchange.**

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive

**We further report that** during the audit period, the company has completed its divestment in Sofranycin and Sofradex businesses.

Further, we have relied upon independent third-party opinion, obtained by the Company for its maintenance of structured digital database under Regulation 3(5) of PIT Regulations.

For Makarand M. Joshi & Co.  
Company Secretaries

Makarand M. Joshi  
Partner

FCS: 5533  
CP: 3662

Date: February 23, 2023  
Place: Mumbai

UDIN: F0055330003192519

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**Annexure A'**

To,  
The Members,  
Sanofi India Limited  
Sanofi House,  
CTS. No.117-B, L&T Business Park,  
Saki Vihar Road, Powai,  
Mumbai - 400072

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Makarand M. Joshi & Co  
Company Secretaries

Makarand M. Joshi  
Partner  
FCS: 5533  
CP: 3662  
PR: 640/2019  
UDIN: F005533D003192519

Date: February 23, 2023  
Place: Mumbai

**Management Discussion and Analysis Report****Economic outlook**

India's economy has now become the fifth-largest in the world on nominal GDP (US dollars) and is set to become the second-fastest growing economy in FY 2023, despite the slower global demand and tightening of monetary policy to manage inflationary pressures.

The Indian economy is projected to record a relatively healthy Gross Domestic Product (GDP) growth of 6.1% (Source: IMF) in FY 2023 and is showing signs of moderation.

GDP growth is expected to decline to 5.7% in FY 2024, as exports and domestic demand growth moderate. Inflation will slow private consumption but moderate along with improved global conditions, to accelerate growth to 6.9% in FY 2025. The key drivers for medium-term growth are increasing public sector expenditure on infrastructure, supply-side and financial reforms (GST and better tax compliance, bankruptcy court, bad bank, etc.), India's digital architecture that includes the universal payment systems, nationwide identification framework, distribution of welfare schemes, healthcare official data stack intended to solve social inclusion needs, and logistics and favourable demographics are expected to set the economy on the path of recovery.

Retail inflation prints peaked in September 2022 and have since begun to ease, helped by favourable base effects. Inflation is expected to remain sticky in the coming months before gradually rolling off in 2023-24 as growth slows and input price pressure abates. The USD/INR is expected to consolidate between 80 and 84 over the next two years.

**Industry update**

The Indian pharmaceutical industry has been growing at an average of ~10% over the past five years. The industry growth was severely impacted in 2020 owing to the COVID-19 pandemic. In 2021, however, the growth reached spiked to 18%, with higher sales in acute care therapies and COVID-related medicines. In 2022, the industry grew by 6.5%, adding nearly ₹ 12,000 crores of incremental sales. The demand for acute therapies increased, while most chronic therapies like diabetes and cardiovascular treatments remained relatively steady.

The IQVIA Prognosis Report (2022) projects that the Indian pharmaceuticals market is expected to grow at a CAGR of ~9.2% (~7-2%) between 2021-26 and reach a market size of ₹ 2,951 billion by 2026. Acute therapies will continue to drive growth, along with an increase in the incidence of non-communicable diseases (NCDs). Improvements in the drug registration process will make India more attractive for the early launch of innovative drugs. The rapid expansion

of the e-pharmacy sector, expansion of co-marketing agreements, coupled with the introduction of new OTC regulations will also be a growth driver till 2026.

~₹ 3,000 billion

Projected size of Indian Pharmaceutical Market by 2026

**India advantages**

**Growth in partnerships and co-marketing agreements:** Partnerships and co-marketing agreements between Indian and foreign companies are expected to increase, reflecting benefits for both originators and local partners. Such alliances will drive rapid and broader market penetration for new brands while increasing sales for more established products.

**Expansion of e-pharmacy and chain businesses:** E-pharmacy sales, which were already rising rapidly, saw a strong surge in demand during the second wave of the pandemic, registering more than 25% growth in 2021. The rapid growth of the sector is encouraging investments from large businesses, and consolidation of smaller players; however, it will lead to increased competition and pressure on drug prices.

**Increase in health insurance coverage:** The central government's Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (ABPMJAY) health insurance scheme will drive healthcare access, affordability and improve health outcomes over the forecast period. The 'Aap Ka Dwaar' Ayushman campaign, to facilitate door-to-door beneficiary mobilisation, identified over 40 million people under the scheme.

**Low cost of production:** The presence of various generic drug companies is a major factor for India to establish a leadership position in the global pharmaceutical sector. Furthermore, India provided for ~40% of the generic demand in the United States and 25% of all medicine in the United Kingdom. India is the world's largest supplier of generic medications, accounting for ~20% of the worldwide supply by volume and supplying about half of the global vaccination demand. This is based on India Brand Equity Foundation's Pharmaceutical Industry Report published in March, 2022.

~50%

Global vaccine demand fulfilled by India

## Company performance

We are multinational healthcare organisation with the purpose of "Chasing the miracles of science to improve people's lives". In India, we have been at the forefront of providing patients with cutting-edge, cost-effective medications for the past 75 years. Our portfolio includes a wide range of medications and dietary supplements for the treatment of heart disease, thrombosis, epilepsy, allergies, infections, and diabetes (both insulins and oral medications).

### Insulin for diabetes

#### Diabetes portfolio

India is referred to as the diabetes capital of the world. However, Sanofi, with its 70 years of legacy, is committed to make a change and treat people with diabetes by providing high-quality medicines and services. Our differentiated offerings give us a unique position as the only company with a substantial presence in oral anti-diabetes drugs and insulin.

The likely price rationalisation of our flagship brand **Lantus®** would make this world-class insulin more affordable for people with diabetes in the extra rural segments as well. Our increased footprint in the market followed through with our renewed marketing strategies, would ensure that we further cement our leadership position in the diabetes segment in India.

To secure our future leadership in the coming years, we would continue to enhance our product portfolio. In 2022, we received approvals and positive comments for three new products, which we would launch over the foreseeable future and make our offerings more comprehensive for clinicians. In line with our India for India strategy, we have researched and developed insulin injection devices like the **TouStar® pen**, with a dedicated cartridge that is available only in our country.

We would continue to invest in science through clinical studies and research to get a higher level of understanding of the diabetes paradigms in our country. Our recently concluded longitudinal RWE (Landmarc) data saw multiple publications in Indian and international scientific meetings on diabetes and is a reference document on diabetes epidemiology and management.

*Toujeo®, our U300 insulin, doubled its sales in 2022, in the first full year post the launch of Toujeo® cartridges.*

#### Patient support programmes

As leaders in this segment, we recognise how capability and capacity building among our stakeholders is crucial to reduce the burden of diabetes in our country. Thus, it is incumbent on us to shape the diabetes ecosystem and manage it sustainably. Our flagship doctor education programs like **ICOW** and **B-School** are led by centres of

excellence and aims to improve the physician capability in managing complex diabetes situations.

Our commitment to patients is underlined by our longest patient support programme, **Saath 7**. It touches the lives of more than 100,000 patients each year, in every major city of India, by educating and hand-holding them through their insulin journey. Through this process, they are provided with solutions, better education and increased medical adherence to help them achieve better therapeutic outcomes.

Through our customer-awareness initiative **'INTOLIFE'** ([www.intolife.in](http://www.intolife.in)), we activated a series of social media programmes to educate people about various aspects of diabetes management. Our **Sanofi Campus programme** keeps physicians updated on the latest trends in diabetes management and is gaining traction towards being the go-to place for diabetes clinical information.

\*More details of the success of this initiative are available on [www.intolife.in](http://www.intolife.in)

### Digitalisation

Digitalisation is an acknowledged change in the way we all live and interact with each other. Thus, we leverage our digital experience by unobtrusively increasing reach and intensity with doctors and patients alike, enabling them to consume information at their convenience and in formats of their choice.

Digitalisation and evolution of market economies have resulted in a large imprint of e-commerce and modern trade in our distribution pipelines, and we now do 20% of our business with these emerging stakeholders.

We shall continue to partner with them to get insights of the market and patient purchasing patterns and behaviours which would allow us to fine tune our approach as we move forward. In 2022, we collaborated with one of the leading e-pharmacy players to jointly run a programme for making our insulin administration pen device accessible free of cost to patients newly initiated on our Insulin.

The year 2022 also saw us getting regulatory approvals and positive regulatory comments for the future launches in the diabetes segment which shall augment our current portfolio in 2023. Our longitudinal RWE (Landmarc) data saw multiple publications in Indian and international scientific meetings on diabetes. We also participated in 'World Diabetes Day 2022' - a campaign targeted towards access to diabetes care.

### Oral diabetes

The oral anti-diabetes drug portfolio maintained its competitive position at #5 in an extremely fragmented market. The newest line extension, **Amaryl MV** recorded market-beating growth and has consolidated its rank in the represented category. An innovative content strategy of unbranded digital connect allowed our teams to break the cluster and engage in insightful discussions with our HCPs. Our digital outreach initiative - **Sanofi connect** - with our

external partners, reaches out to 10,000 doctors not met by our field force and shown initial success programme. Dedicated efforts were undertaken towards conducting medico-marketing initiatives.

### Consumer healthcare portfolio

#### Allergy

**Allegra®** and **Avil®**, our flagship brands, are the leaders in the allergy category. With a high double-digit growth rate, they account for 8% share of the market. **Allegra® Duo Spray**, is driven by **Allegra® M**, **Allegra® Nasal Spray** and **Allegra® Duo Spray**.

The burden of allergies in India has doubled in the past decade and pollution has been identified as a key aggravator. **Allegra®** played a leadership role in driving awareness in this area with the HCPs, basis the available evidence linking pollution with allergies. We are on the way of enhancing awareness in this area by engaging with local and internal experts in various scientific forums.

Apart from this, **Allegra®** also has developed a strong Physician outreach initiative by deploying a robust omnichannel activation. This has helped us garnering considerable brand visibility amongst ~100,000 Consulting Physicians across India.

# 100,000

Physicians reached for **Allegra®** through the omni-channel approach

### Nutritional Health

**DePura Kids** outperformed the market growth in 2022 with a strong double-digit growth and became the #1 brand in vitamin D kids category. **DePura Kids** is a Nano Vitamin D brand with published evidence which have helped gain the trust of paediatricians. On **World Vitamin D Day**, Sanofi conducted various activities to spread awareness on the importance of optimal vitamin D levels for a healthy lifestyle. Apart from this, **D3 Expert Cross Talks** were conducted across India to drive advocacy for Nano **Vit-D** and **DePura Kids** at key specialties including Paediatricians, Neonatologist and Endocrinologists. On **DePura Kids 60K**, there were HCP engagement initiatives for Orthos and Gynecologists driving the benefits of our Nano **Vit-D** formulation.

# #1

Brand in vitamin D kids category

### Pain care

**Combiflam®**, our heritage brand in Pain Care continued its growth journey and achieved the milestone of ₹ 200 crores in 2022. Multi-layered channel engagement campaigns led

to fulfil demand and continue its position as the preferred choice in pain management. Nearly 3000 wholesalers were engaged during the year to drive this business with various trade marketing campaigns. Various initiatives were also undertaken to enhance our indirect distribution coverage through the year.

# 3,000+

Wholesalers engaged for driving volumes

### Central Nervous System (CNS)

Our epilepsy portfolio recorded good growth during the year, with **Frisium®** registering a double-digit growth. **Frisium®** continues to be the most prescribed brand across all anti-convulsants in India. The CNS portfolio maintained its market share in epilepsy, through regular digital customer connects, market-shaping activities and academic engagements. A world-class HCP education and certification programme was developed in collaboration with **Boston University School of Medicine**. Despite being the 2nd most common neurological condition and India being home to 1 out of 6 people suffering from epilepsy worldwide, epilepsy awareness in India is limited. Keeping this in mind, we launched a mega public awareness initiative: **DARE (Drive for Awareness & Right Information on Epilepsy)**, coinciding with **National Epilepsy Awareness Month** (November 2022). We further partnered with leading neurologists and the cricket legend, **Sunny Rhodes** to spread awareness about the ailment via digital and radio channels. We are planning to strengthen epilepsy management in the paediatric age group with the launch of a new SKU in 2023. In 2022, Sanofi published the first Indian data on clobazam usage in epilepsy management to strengthen our commitment towards patient benefits. It was then presented in the National Conference of Neurologists.

# Frisium®

Most prescribed brand in India in anti-convulsion segment

### GEMS portfolio

#### Thrombosis

In the anti-coagulant space, **Clexane®** is the standard of care for more than 25 years. **Clexane®** continued to strengthen its leadership position led via the vision of **VTE free India**. We stand committed to raising awareness for the risk of **Venous Thromboembolism (VTE)** among hospitalised patients. The brand focused on providing trusted solutions to HCPs in thrombosis care among medical and surgical settings by collaborating with international scientific associations like **Royal College of Surgeons and American College of Chest Physicians**. Several first-of-its-kind initiatives like podcasts titled **VTE Unplugged** were rolled



out throughout the year which drove significant traction among HCPs. The brand also took another giant leap towards driving patient education around VTE risk factors on World Thrombosis Day by driving a well-orchestrated omnichannel experience through different channels.

**Cardiology**

Cardace®, the flagship brand in cardiology with more than 28 years of Indian clinical experience, continues to be the leading Angiotensin Converting Enzymes (ACE) inhibitor brand. The brand is working towards strengthening the Post MI Protection Space for better cardiovascular outcomes and addressing underutilisation of ACE inhibitors among these patients. A focused omnichannel approach was put in place which helped improve brand preference for the Cardace® group in the post MI space.

*Leading Angiotensin Converting Enzymes (ACE) for 28 Years*

**Antibiotics**

Targocid® is backed by real-life experience of over 20 years and continues to commit towards superior patient safety outcomes. In the resistant Gram- segment, Targocid® is a preferred anti-MRSA agent in critically ill patients amongst all stakeholders and continues to lead this space.

Targocid®'s performance was negatively impacted in 2022 due to a long period of non-availability and supply is moving ahead, the priority for Targocid® will be to focus upon early initiation of antibiotics to reduce mortality among hospitalised patients.

**20 years**

Targocid®'s commitment towards superior patient safety outcomes

**Financial review**

During the year ended December 31, 2022, the Company registered Revenue from Operations of ₹ 27,701 million as against ₹ 29,566 million in the previous year, representing de-growth by 6%.

Net revenue from India, which constituted 84.11% of Net Revenue from Operations, decreased from ₹ 25,535 million in 2021 to ₹ 23,421 million in 2022, reflecting a de-growth of 8.76%.

The Profit before Tax decreased from ₹ 12,576 million to ₹ 8,643 million, representing a de-growth of 31.27% for the year ended December 31, 2022. The Profit after Tax decreased from ₹ 9,444 million to ₹ 6,206 million, representing a de-growth of 34.28% for the year ended December 31, 2022. Revenue and Profit are not comparable

due to the divestment and exceptional items involve between the period.

Details of changes in key financial ratios are explained in the table below:

Particulars	2022	2021
Operating profit margin (%)	24.37	23.92
Net profit margin (%)	21.84	31.16
Debtors' turnover ratio	20.37	20.33
Current ratio	2.17	2.85
Inventory turnover ratio	2.97	3.44
Interest coverage ratio	NA	NA
Debt equity ratio	NA	NA
Return on Net Worth (%)	67.98	56.59

**Manufacturing operations**

The manufacturing facility in Goa has prioritised safer, healthier, and environment-friendly working practices with strong quality systems. The manufacturing operations are heavily regulated by governmental health authorities around the world, including Regierungsrätdium Darmstadt – Germany, USFDA, Australia – TGA, WHO, Health Canada, NMPA – Sri Lanka and by many regulatory approvals as per the Indian legislations. These regulations endorse the quality and safety of the products manufactured. We incorporate various digital capabilities for data integrity through automation of the manufacturing process, removal of physical leaflets and implementation of the QR Code.

The manufacturing operations at the Goa site are done in compliance with local and global regulatory norms, and the limits of any environmental exposures are in line with these standards. The waste generated from manufacturing operations are disposed as per the local regulations / Sanofi guidelines.

Our customer service level has been >98% in 2022 and is done to maintain the same. The manufacturing process is done basis market demand to ensure Sanofi products are not out of stock. The Goa site has state-of-the-art automation systems for the manufacturing process, which ensures closed loop operations with minimum manual material handling. The automation is further being enhanced to adhere to DIRA (Data Integrity Risk Assessment) compliance and reduction of manual errors.

The site at Goa is a strategic sourcing site for the Sanofi Group and is continuously assessed for newer sourcing opportunities in the area of tablet formulations.

We continue to consolidate the network of CMOs (Contract Manufacturing Organisations) for better cost efficiency and management of third-party sites. These third-party manufacturers are qualified at the same level as the owned sites of the Company, in terms of customer service, quality systems and safety. They are regularly audited and supported by a team of specialists.

The Goa site has an in-house effluent treatment plant, wherein the effluent generated by the process is treated inhouse and used for landscaping. There is ZERO discharge of our treated effluent outside the site.

The site has a system for periodic medical check-ups to ensure employee wellness. Voluntary stress tests has been initiated for employees above 40 years post COVID. There are monthly health awareness programmes conducted at site by the Internal or external faculty.

All activities are assessed for operational safety risks, and actions are outlined to mitigate any risk identified. Internal audits and external agency audits are conducted to ensure HSE standards are met. Employees are trained on operational safety, site leadership team and managers conduct managerial safety visits to ensure safe working practices and employees are encouraged to proactively identify workplace weak signals.

**Human resources**

The Company had 2,651 employees as on December 31, 2022.

The overall industrial relations atmosphere continued to be cordial. Further details on the Human resources forms part of Human Capital of the Integrated Report

**Internal control systems and adequacy**

The internal control systems of the Company which are configured in the ERP (SAP) are adequate and commensurate with the size of operations and are well fortified with a combination of standard operating procedures, delegation of authority for approval and segregation of duties in critical activities. These controls are regularly reviewed as per Audit Plan approved by Audit Committee, the recommendations of which are presented to the Audit Committee and are followed up regularly with respect to implementation for necessary remediation.

In addition, quarterly testing of key mandatory controls is undertaken which includes the financial control framework (FCF).

These controls ensure that transactions are authorised, recorded, and reported on time. They ensure that assets are safe guarded and protected against loss or unauthorised disposal. The Internal Audit department has adapted to hybrid way of auditing (physical or remote) depending upon business dynamics / external context to provide assurance to Management that all key controls were operating in line with our guidelines.

Along with a strong focus on internal controls, efforts have been directed towards automating monitoring controls of the business by using automation tools which has unlocked huge amount of employee productivity by automation of repetitive and manual tasks, which can now be redirected for achieving our strategic goals. We continue to expand the scope of automated controls monitoring to bring more simplification and standardisation in operations to continue to generate operational efficiency.

The Audit Committee of the Board of Directors reviews quarterly audit findings identified by the Internal Audit department and the audit program which encompasses all risks including operational, financial, strategic, technological etc.

As a way of reinforcing its Internal Controls & Compliance culture, your Company has identified colleagues as "Compliance / Control Champions" who act as ambassadors for the Internal Controls and Compliance teams to spread message to different areas peer-to-peer and in a common language.

**ESG including Environment, Health and Safety, and Corporate Social Responsibility**

We have a detailed Health, Safety and Environment policy that is applicable to our employees' and external partners. The Management proactively runs programmes to build awareness and adoption of practices in this area. We have a dedicated programme called 'Planet Mobilisation', which focuses on key environmental risks, and provides a suitable framework to manage risks and opportunities.

We also have a well-defined framework to guide our Corporate Social Responsibility (CSR) programmes. We are committed to working in collaboration with relevant stakeholders to increase access to healthcare and quality medicines, designed to improve people's health within an economically sustainable framework that supports innovation. The details of our initiatives in ESG forms part of the Integrated Report.

**Medical affairs**

Two all India multicentric real-world evidence studies of more than 6,300 people with diabetes and more than 400 people with epilepsy, were presented at National / International congresses. About four posters and two oral presentations were made at the Indian National RSSDI congress 2022 and five posters at the American Diabetes



**Focus on growth**

Grow the businesses in line with the strategy, leverage trade organisation to capture demand and drive growth, and broad public national disease and therapy awareness campaigns on core assets.

**Lead with innovation**

Deliver the product innovation plans. Generate localised scientific content. The pharma industry drives 40% of the growth from New Introductions. Thus, innovation will play a strong role as we drive our India for India strategy on the same lines. Your Company is taking a multipronged approach involving global launches, exploring local line extensions. Strategic partnerships will pave the way to have Sanofi present in those geographies where Sanofi has limited or no presence. The last year has seen some supply issues from Sanofi global plants, and the India team is working on exploring localisation of some formulations to avoid supply disruptions.

**Accelerate efficiency**

- Continue to simplify the business while maximising profitability.
- Advance localisation plans to improve margins and supply reliability.
- Improve supply of products and leverage it for performance tracking.

**Retention work**

- Strengthen our capability building, talent management, and Play to Win culture.
- Achieve greater heights in Corporate Social Responsibility and ESG.

**Cautionary statement**

Certain statements in the above Report may be forward-looking and are stated as required by the legislations in force. The actual results may be affected by many factors that may be different from what is envisaged in terms of future performance and the outlook presented above.

**Opportunities and risks**

We believe that the Indian pharmaceutical market would continue to grow due to factors such as improved healthcare access, awareness and diagnosis around non-communicable diseases, and government interventions to expand healthcare infrastructure.

Digital health will emerge as a key enabler of demand and delivery. There is a large opportunity to have more efficient supply chain operations, after the implementation of GST. We are working on harnessing efficiencies in this area.

Our business is also exposed to few risks. Some of the key risks are listed below:

- In past few years, the Government of India has made frequent changes in regulations covering drug pricing, trade margins and other laws which impact us. Any adverse changes in government policies with respect to pricing or trade margins with respect to our products may impact our performance.
- We are present in therapy areas such as Diabetes, Cardiology, Thrombosis, Anti-infectives, Central Nervous System and Allergy and Vitamins, Minerals & Supplements. We depend on the research and development conducted by the Sanofi Group for new product commercialisation. The future research and product pipeline strategy of the Sanofi Group may not always be in these therapy areas. This may impact our growth in the long-term.
- The prices of active pharmaceutical ingredients and intermediates fluctuate based on the market demand and supply conditions. We may not be able to pass on any sharp increases in the prices of raw material to consumers, resulting in margin contraction.
- We are also exposed to risks like falling interest rates, cyber security failures, adverse social media, counterfeit drugs, adverse orders passed by courts in pricing, tax and other litigations, among others.

However, we continue to take steps to mitigate the above risks by:

**Outlook - Renewed strategy and focus on growth**

We are moving towards ensuring greater access to quality healthcare products for the Indian population. We lay emphasis on innovating new products as well as accelerating efficiency for a sustainable growth. Some of our priorities going forward will:

Association were made on 'The need for timely initiation and intensification in people with diabetes, to improve sugar control and outcomes.' In the area of neurology, the team had a panel discussion on results of the study for Frisium® at IANCON 2022.

Six papers were published in scientific journals in areas of Diabetes, Anti-infectives, Neurology and Thrombosis which included a scientific review on 20 years of insulin glargine-100 in the Diabetes Therapy journal. The published content is further being shared with physicians through meetings and via omnichannel communication.

Mentor-mentee education programmes, co-created with the Royal College of Physicians, were conducted through virtual fora, upskilling more than 2,000 Health Care Professionals on insulin initiation and titration. Online newsletters and podcasts were created and disseminated to physicians to increase awareness on recent updates in management of Venous Thromboembolism, in addition to international speaker meets and webinars.

Pause Atopic March programmes, conducted by the Allgra® Medical Team in association with 'Association of Physicians of India', was to equip pulmonologists, ENTs, paediatricians, dermatologists, CPs & GPs to be able to manage their patients better by helping them identify the markers of atopy and halt the Atopic March at the correct stage. International speaker programmes on vitamin D were conducted by the DePura Kids medical team, with the National webinar received a high Net promoter score of 76. The flagship programme on Sulphonylureas namely 'Safe and Smart' summit involving experts was conducted and the programme for critical care specialists on anti-infectives 'Ideas Evolve' was cascaded to physicians across India.

Teams gather customer insights from interaction with physicians. Advisory boards and consultations were conducted through office based medical as also expert group meetings and >8000 one-to-one hybrid interactions were achieved through field-based medical teams.

With a patient-centric purpose, disease awareness aimed to remove myths related to epilepsy were conducted during World Epilepsy Month, reaching more than 21 lakh viewers through a talk on Facebook and more than 1.64 crore viewers through radio programmes with expert physicians across the country. On World Diabetes Day, the diabetes medical team reached out through national and regional newspapers to a wide group of readers with an aim to increase awareness on managing diabetes in a timely manner.

## Business Responsibility & Sustainability Report

### Section A: General Disclosures

#### I. Details of the Company

1. Corporate Identity Number (CIN) of the Company	L24239MH1956PLC009794
2. Name of the Company	Sanofi India Limited
3. Year of incorporation	1956
4. Registered office address	Sanofi House, CTS No. 117-B, L&T Business Park, Sakhi Vihar Road, Powai, Mumbai - 400072
5. Corporate address	Sanofi House, CTS No. 117-B, L&T Business Park, Sakhi Vihar Road, Powai, Mumbai - 400072
6. E-mail	igrcs@sanofi.com
7. Telephone	(022) 28032000
8. Website	www.sanofindia.com
9. Financial year for which reporting is being done	January 1, 2022 to December 31, 2022
10. Name of the Stock Exchange(s) where shares are listed	BSE Ltd and National Stock Exchange Limited
11. Paid-up Capital	230.3 million
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Rashika Shah, Company Secretary Sanofi House, CTS No. 117-B, L&T Business Park, Sakhi Vihar Road, Powai, Mumbai - 400072, India. Tel No: (022) 28032000 E-mail: IGRC.SIL@sanofi.com
13. Reporting boundary	The disclosures made in this report are on a standalone basis

#### II. Products / services

14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	% of Turnover of the Company
1.	Manufacture and sale of pharmaceutical products	90%
	Drugs and Pharmaceuticals	100%

15. Products / Services sold by the Company (accounting for 90% of the Company's Turnover):

Sr. No.	Product / Service	NIC Code	% of total Turnover contributed
1.	Drugs and Pharmaceuticals	21002	100%

#### III. Operations

16. Number of locations where plants and / or operations / offices of the Company are situated:

Location	Number of Plants	Number of Offices	Total
National	1	3	4
International	0	0	0

17. Markets served by the Company:

a. Number of locations	Number
National (No. of States)	Pan India
International (No. of Countries)	28*

\*The number of international countries served by Sanofi India is for products exported to its affiliates in the respective countries.

b. What is the contribution of exports as a percentage of the total turnover of the Company?

Our contribution of export is 45% of our total turnover during the Financial Year 2022.

c. A brief on types of customers

Customers are important stakeholders in our business. Our Company's customer base includes stockists, Health Care Professional (HCPs) and Government Institutions to whom our Company sells its products.

#### IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male No. (B)	% (B / A)	Female No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	2445	2075	85%	370	15%
2.	Other than Permanent (E)	64	20	31%	44	69%
3.	Total employees (D + E)	2509	2095	83%	414	17%
<b>WORKERS</b>						
4.	Permanent (F)	206	200	97%	6	3%
5.	Other than Permanent (G)*	0	0	0%	0	0%
6.	Total workers (F + G)	206	200	97%	6	3%

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male No. (B)	% (B / A)	Female No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	1	0	0%	1	100%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total differently abled employees (D + E)	1	0	0%	1	100%
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than permanent (G)	0	0	0%	0	0%
6.	Total differently abled workers (F + G)	0	0	0%	0	0%

\* Sanofi India has always been an equal opportunity employer that looks at getting diverse talent into the organization. Our appointments have always been based on merit, with an aim to minimize biases. We have recently begun our journey of expanding our scope of diversity to include disability and have also started hiring employees who are visually disabled. At Sanofi India, we will be focusing on this in the future and will put in place the measures to track and measure this going ahead.

19. Participation / Inclusion / Representation of women:

	Total (A)	No. and percentage of females No. (B)	% (B / A)
Board of Directors	8	2	25%
Key Management Personnel*	1	1	100%

\*Key Management Personnel other than Board of Directors

20. Turnover rate for permanent employees and workers:

	FY2022		FY2021		FY2020		Total
	Male	Female	Male	Female	Male	Female	
Permanent Employees	12.6%	17.3%	13.3%	15.6%	15.4%	12.9%	11.1%
Permanent Workers	1%	0%	1%	0%	1.5%	5.6%	0%
							55.2%

**VI. Holding, Subsidiary and Associate Companies (including joint ventures)**

21. Names of holding / subsidiary / associate companies / joint ventures:

Sr. No.	Name of the holding / subsidiary / associate company / joint venture (A)	Indicates whether holding / subsidiary / associate / joint venture	% of shares held	Does the Company Indicate at Column A, participate in the Business Resilience Initiatives of the Company
1.	Hoechst GmbH	Holding company	60.37%	No
2.	Sanofi S.A.	Ultimate holding company	0.02%	No

The Company does not have any subsidiary companies or associate companies or joint ventures.

**VII. CSR Details**

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in ₹): 27,701 Million

(iii) Net worth (in ₹): 12,758 Million

A detailed report on CSR projects undertaken during the Financial Year 2022 has been provided in 'Annexure - D' to the report of the Directors.

**VIII. Transparency and Disclosures Compliances**

23. Complains / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place to receive and redress stakeholder complaints. (web link for grievance redressal policy)	FY2022		FY2021		Remarks
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	
Local Communities	Yes, we have a mechanism in place to receive and redress stakeholder complaints. (web link <a href="https://www.sanofi.in">https://www.sanofi.in</a> )	Nil	Nil	-	Nil	-
Shareholders	Yes, we have a mechanism in place to receive and redress stakeholder complaints. (web link <a href="https://www.sanofiindia.com/en/investors/contact-us">https://www.sanofiindia.com/en/investors/contact-us</a> )	28	-	-	15	-
Employees and workers	Yes, we have a mechanism in place to receive and redress stakeholder complaints. (web link <a href="https://www.sanofi.in">https://www.sanofi.in</a> )	23	9	includes anonymous complaints	20	3 anonymous complaints
Customers	Yes, we have a mechanism in place to receive and redress stakeholder complaints. (web link <a href="https://www.sanofi.in">https://www.sanofi.in</a> )	791*	47	Product quality / technical complaints	667*	Product quality / technical complaints

\* Complaints are received from different stakeholders like Patients, Distributors, Pharmacists, HCPs via Phone, Email, Website & Social media. For the purpose of this table, all the complaints are included in the above table. These include all received, including those that may later not be classified as a quality complaint (e.g. lack of understanding on how to use the device) and are addressed with relevant response to the customer.

24. Overview of the Company's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material issue identified (R / O)	Indicates whether risk or opportunity (R / O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Ethical business practices	Risk	Running our daily activities in an ethical way (e.g. ethical marketing, lobbying, anti-bribery measures etc.)	i. Development of Code of Conduct ii. Development of policies, programs and mechanisms for avoiding unethical practices	Any instances of unethical practices have the risk of tarnishing our reputation and attracting fine / penalty / lawsuits which can in turn affect business continuity
2.	Safe and qualitative treatments for patients and clinical trial participants	Risk and Opportunity	Ensuring the safety of our patients and clinical trial participants by providing high quality, safe and effective medicines and responding and reporting any safety or quality issues	We believe that it is our responsibility to provide our consumers with safe products that positively impact health and the society. Our Quality and Compliance teams proactively tracks regulatory and non-regulatory complaints and grievances and works towards redressing them in a timely and effective manner.	Any health and safety incident can lead to decreased trust amongst our customers and adversely impact the demand of our products. Non-compliance with product marketing and labelling can lead to legal implications and reputation damage.
3.	Employee health, safety, wellbeing and working condition	Risk and Opportunity	Providing a safe & healthy (both physical and mental) work environment and ensuring fair employment practices (e.g. upholding labor rights, freedom of association)	i. Implementation of a Company-wide robust HSE management system ii. Ensuring periodic internal and external audits involving all employees and workers, safe working practices iii. Investigation of each reported case and taking corrective actions to avoid recurrence	The nature of operations exposes Sanofi India's employees and contractors to a wide range of occupational health hazards as well as safety risks due to complexity of operational requirements.
4.	Responsible governance practices	Opportunity	Governing our business in a responsible way by considering ESG factors in our operational and strategic business decision-making, remuneration, providing transparency to stakeholders, capital allocation etc.)		Leadership oversight on the ESG strategy, action plan and performance promote the Sanofi India's positive impact on environment and community. It also enables us to further embed robust ESG mechanisms across our business operations.
5.	Health system strengthening	Opportunity	Contributing to improving healthcare infrastructure, health awareness, and health education (e.g. disease prevention awareness)		We strive to improve the healthcare system across our markets and understand the importance of being a responsible organization. We endeavor to solve the problems of lack of product availability by prioritizing our work towards business growth in the long term.

**Section B: Management and Process Disclosures**

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

- Principle 1: Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
- Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe
- Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.
- Principle 4: Businesses should respect the interests of and be responsive towards all its stakeholders
- Principle 5: Businesses should respect and promote human rights
- Principle 6: Businesses should respect, protect, and make efforts to restore the environment
- Principle 7: Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
- Principle 8: Businesses should promote inclusive growth and equitable development
- Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions Policy and Management Processes	P1	P2	P3	P4	P5	P6	P7	P8	P9
a. Whether your Company's policy / policies cover each principle and its core elements of the NGRBCs. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available:	Policies are uploaded on the website of the Company at <a href="https://www.sanofiindia.com">www.sanofiindia.com</a> and on the Company's intranet portal.								
2. Whether the Company has translated the policy into procedures (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes / certifications / labels / standards (e.g., Forest Stewardship Council (FSC), ISO 14001, ISO 26000, OHSAS, ISO, BIS) adopted by your Company and mapped to each principle:	Yes. Policies have been developed considering relevant national standards acts like Factories Act, 1946, Companies Act, 2013, the Listing Regulations, and various other Statutes. Also, the Policies are compiled based on different global standards including that of the United Nations and International Labour Organisation and various ISO standards. Sanofi is a signatory to the UN Global Compact.								
5. Specific commitments, goals and targets set by the Company with defined timelines, if any:	Globally, Sanofi is working to minimize the impact of its activities on the environment by committing: <ul style="list-style-type: none"> <li>- 100% Renewable Energy by 2030 across all global operations and;</li> <li>- Net Zero emissions by 2045</li> </ul> As part of the global commitment, Sanofi India will also accelerate its sustainability journey.								
6. Performance of the Company against the specific commitments, goals, and targets along with reasons in case the same are not met:	Sanofi India has set up solar energy project at Mumbai office (Sanofi India) for FY 2022, as per alignment with Sanofi Global commitment towards renewable energy and emission reduction. We are recycling and reusing all wastewater generated at our manufacturing plant within the premises for gardening and flushing purpose. We have implemented a comprehensive program for the management of solid waste generated from our operations. We achieved zero waste to landfill by adopting 3R approach (Reduce, Reuse, Recycle) at our office and manufacturing plants.								

The Company has taken many initiatives towards the aforesaid commitments which are explained in the Integrated Report

**Governance, leadership and oversight**

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements:

We have embarked on the journey of disclosing our sustainability performance through the BHSR for FY 2022. As an organisation we are committed to integrating ESG into our organisational culture, business conduct, as well as across our value chain. In our endeavour to adopt and implement robust ESG structures and systems, we strive to align with our Global ESG practices so as to meet the industry best practices. To this end, we aim to reach 100% adoption of renewable energy by the year 2030, attain net-zero emission by 2045. We have adopted a circular approach to minimize our environmental footprint and developing a holistic vision. We believe our

strength lies in our efficient workforce and we give due importance to the well-being of our employees across our business operations. We believe in cultivating a nurturing workplace and encourage gender diversity and inclusion, non-discrimination policies, and work-life balance and further encourage employee wellbeing and safety. It is our constant endeavor to deliver products and services of the highest quality to our customers while ensuring minimal harm to the environment and society. Our robust business model, adoption of emerging technology and automation, brand strength, and customer-centric approach back our robust economic performance. We aim to continue strengthening our ESG efforts to accelerate the embedding of ESG in our business ecosystem to place Sanofi on a positive trajectory with regard to achieving sustainability across our operations as we chase the miracles of science to improve people's lives.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (as):

Does the Company have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details:	Mr. Rodolfo Hrosz, Managing Director There is a Management level ESG Committee comprising Managing Director, Chief Financial Officer, Company Secretary, HR representative, Head of Health, Safety and Environment, Head - Ethics and Business Integrity, Manufacturing Site Director, Head - Communication and CSR. The Committee meets periodically to review progress on ESG.								
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10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually / Half yearly / Quarterly / Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	The policies are reviewed on an annual basis								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Annual basis								

Note: In line with Sanofi Code of Conduct, all Board level meetings and business meetings are led by the Managing Director for sustainability and business responsibility discussions on continual basis. The Directors and Senior Management members affirm compliance with the Code of Conduct on annual basis

The Company publishes the Business Responsibility Report in its Annual Report. The Corporate Social Responsibility (CSR) Committee of the Company is responsible for formulating, implementing and monitoring the CSR Policy of the Company under the guidance of the Board. The CSR Committee also approves Annual CSR Report as per the provisions of the Act. CSR Report is part of the Director's Report. The HSE Committee meets regularly to assess the health and sustainability aspects.

11. Has the Company carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes / No). If yes, provide name of the agency:

Most of our policies are internal and some of them are Sanofi Global policies which are adopted by the Company. They are reviewed internally on a periodic basis. No review is conducted through external partners.







3. Accessibility of workplaces:

Are the premises / offices of the Company accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. We have required arrangements for the differently abled employees like:

- Dedicated Parking
- Security Support
- Washrooms
- Adequate space for Wheelchair movement
- Visual and Audio alarms
- Emergency Evacuation Chair
- Ramps in the basement at entry points
- Braille in Lifts etc.

We are constantly working towards identifying the need of differently abled employees and proactively supporting them on the same. We are also working on the overall Accessibility of our office premises to meet the highest standards possible.

4. Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy?

Yes. At Sanofi, we want to reflect the diversity of our communities, unleashing our best selves every day to transform healthcare practices. Sanofi India is committed to bringing value through equality and to foster and promote human diversity across our operations. We encourage an inclusive work philosophy of creating a supportive professional atmosphere that promotes trust, compassion, and mutual respect. Our policy on Code of Ethics has been developed in line with our commitment. Refer to the web link - Code of Conduct.

The efforts taken by Sanofi India in the space of Diversity, Equity & Inclusion are under the global banner of 'All In'. We want to reflect the diversity of our communities, and unleash our best selves every day to transform the practice of medicine. We truly believe that Diverse Teams lead to better outcomes and thus, we are working towards building a company

5. Return to work and Retention rates of permanent employees and workers that took parental leave:

Gender	Permanent employees			Permanent workers		
	No. of employees who availed of parental leave	Return to work rate	Retention rate	No. of employees who availed of parental leave	Return to work rate	Retention rate
Male	66	100%	100%	22	100%	100%
Female	10	100%	100%	1	100%	100%
<b>Total</b>	<b>76</b>	<b>100%</b>	<b>100%</b>	<b>23</b>	<b>100%</b>	<b>100%</b>

that is representative of the society, in other words, of the people and patients we serve. We aim to create a culture that allows people to unleash the very best version of themselves, every day.

Under the 'Reflect' pillar we aim to build a representative leadership which clearly reflect the diverse nature of the communities we serve. Whilst through the 'Unleash' pillar we hope to create a thriving environment for our workforce to enable each one of them to work to their fullest potential. Lastly, under the 'Transform' pillar, we are looking to positively impact the society in a positive manner by advocating for our diverse set of communities.

When we started on this journey several years ago, we realized that there were a number of quick yet important wins in making Sanofi more inclusive, especially from the Gender Balance perspective. We were one of the first organizations to change our maternity leave from 3 months to 6 months, two years prior to the official government mandate. We also provided a number of enablers in the form of self-defense workshops, enhanced hotel and travel coverage security helpline numbers etc. to ensure our women employees felt safe and fully equipped to make meaningful contributions while at work. Furthermore, we ran sensitization workshops from the topmost leader right down to the first line manager, to make sure they understood what biases are, how each one of us has them and how they can negatively impact the person experiencing them. This in turn helped to create a culture where employees and managers were more sensitive to the needs of others. We also instituted development programs for women employees to help them overcome their own barriers so as to prepare them they were capable of and to take on the next level roles.

Today, we see sponsorship for DE&I from across the top business leaders and have instituted Employee Resource Groups which provide a platform for all employees to make their voice heard and contribute meaningfully to the initiatives introduced under DE&I. One of the achievements we are very proud of is compelling the Goa government to allow us to increase the shift timings for women employees so they can contribute fully during the evening shift.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

	Yes	No	If Yes, then give details of the mechanism in brief
Permanent Workers	Yes		
Other than Permanent Workers	Yes		
Permanent Employees	Yes		
Other than Permanent Employees	Yes		

Yes. Sanofi India has adopted the Global Code of Ethics (<https://www.codsethics.sanofi/>) applicable worldwide which lays out the defining principles that guide each employee of the Company and its contractors on conducting business in line with the highest ethical standards. Sanofi has a policy on Prevention of Sexual Harassment of employees. This Policy applies to all employees, both female and male, of Sanofi in India and will be deemed to form part of their conditions of employment. Sanofi believes and commits as follows: (a) All employees have the right to be treated with dignity, (b) Sexual harassment in the workplace will not be permitted or condoned, (c) Persons who have been subjected to sexual harassment in the workplace have a right to raise a grievance about it and to expect that the Company will take appropriate action as per legal provisions.

(d) Sanofi will ensure providing of adequate training to all employees of the organization. It will act proactively and intervene appropriately whenever it observes any sign or communication of sexual harassment, whether formal or informal, written or verbal, during the employment or after the cessation of employment and will take necessary steps to arrest its potential escalation. (e) It will sincerely attempt fair treatment to all stakeholders irrespective of gender within the provisions of law. It will also deal with all situations of sexual harassment which do not find specific mention and consistent with the Company's core values.

7. Membership of employees and worker in association(s) or Unions recognized by the Company:

Our Company believes that all employees are important stakeholders and it is imperative to build a culture of mutual trust and respect, interdependence, and meaningful engagement. This approach helps in building, strengthening and sustaining harmonious employee relations across the organization. Your Company believes that in respecting the dignity of the individual and the freedom of employees to lawfully organize themselves into interest groups, independent of supervision by the management, it is ensured that employees are not discriminated against for exercising this freedom in a lawful manner and consistent with the Company's core values.

Category	FY 2022		FY 2021		% (D / O)
	Total employees / workers in respective category (A)	No. of employees / workers in respective category (B)	Total employees / workers in respective category (C)	No. of employees / workers in respective category (D)	
<b>Total Permanent Employees</b>	2,445	1,65	2,715	246	9%
Male	2,075	159	2,363	236	10%
Female	370	6	352	10	3%
<b>Total Permanent Workers</b>	206	142	208	70	34%
Male	200	142	202	70	35%
Female	6	0	6	0	0%

8. Details of training given to employees and workers:

Category	FY 2022				FY 2021			
	On Health and Safety Measures		On Skills upgradation		On Health and Safety Measures		On Skills upgradation	
	No. (B)	% (E/A)	No. (C)	% (C/A)	No. (B)	% (E/D)	No. (F)	% (F/D)
<b>Total</b>	<b>2,075</b>	<b>100%</b>	<b>405</b>	<b>20%</b>	<b>2,363</b>	<b>100%</b>	<b>578</b>	<b>24%</b>
Male	370	100%	110	30%	352	100%	149	42%
Female	370	100%	110	30%	352	100%	149	42%
<b>Total</b>	<b>2,445</b>	<b>100%</b>	<b>515</b>	<b>21%</b>	<b>2,715</b>	<b>100%</b>	<b>727</b>	<b>27%</b>
<b>Employees</b>								
Male	200	100%	0	0%	202	100%	0	0%
Female	6	100%	0	0%	6	100%	0	0%
<b>Total</b>	<b>206</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>208</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
<b>Workers</b>								
Male	200	100%	0	0%	202	100%	0	0%
Female	6	100%	0	0%	6	100%	0	0%
<b>Total</b>	<b>206</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>208</b>	<b>100%</b>	<b>0</b>	<b>0%</b>

Note: Further details on the training are provided in Integrated Report.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022			FY 2021		
	Total (A)	No. (B)	% (B/A)	Total (D)	No. (C)	% (C/D)
<b>Total</b>	<b>2,075</b>	<b>2,075</b>	<b>100%</b>	<b>2,363</b>	<b>2,363</b>	<b>100%</b>
Male	370	370	100%	352	352	100%
Female	370	370	100%	352	352	100%
<b>Total</b>	<b>2,445</b>	<b>2,445</b>	<b>100%</b>	<b>2,715</b>	<b>2,715</b>	<b>100%</b>
<b>Workers</b>						
Male	200	200	100%	202	202	100%
Female	6	6	100%	6	6	100%
<b>Total</b>	<b>206</b>	<b>206</b>	<b>100%</b>	<b>208</b>	<b>208</b>	<b>100%</b>

Committed to providing required guidance to our employees and workers regarding their performance and career development trajectories at Sanofi India, we ensure to conduct complete performance and career development reviews. 100% of all our employees and workers are appraised year-on-year basis.

To help understand our employees' viewpoints and concerns, we conduct employee engagement surveys annually. The surveys, provided in an online mode, make use of the external platform Peakon. The employees' responses are received on a scale of 0 (not at all) to 10 (absolutely), and they also have an option to provide a comment, if needed. One of our employee engagement surveys, titled 'Your Voice' looks into several parameters, such as culture, engagement, diversity and inclusion, and health and wellbeing. The results of all the surveys undertaken are communicated to the Board.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the Company? (Yes/No). If yes, the coverage of such system?  
 Yes. Sanofi India has adopted and implemented the ISO 45001 by integrating all critical business activities and applying principles and processes in order to provide safe and healthy workplaces at

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes. Sanofi India has a process in place where safety related incidents are reported and these include but are not limited to injury related incidents, near misses, road accidents, etc. These cases get reported and are investigated as per our HSE management system framework in a time bound manner.

We have life-saving rules which empower everyone to stop any unsafe actions and conditions. These life saving rules are minimum expected behavior to be followed by all Sanofi employees. The training on these rules are mandatory for all employees and workers on a periodic basis.

d. Do the employees/worker of the Company have access to non-occupational medical and healthcare services? (Yes/No)

Yes, the employees and other than permanent employees have access to non-occupational medical and healthcare services and are provided medical insurance facilities in case of hospitalization. We have occupational health centers set up at the Goa site as well as the Corporate office in Mumbai which are attended by visiting physicians.

For wellbeing of our workforce, we have launched a program, wellbeing program called 'all well' which focuses on the 'healthy mind' and 'healthy body'. All Well program deployed by engaging with four initiatives to prevent non-communicable diseases and decrease absenteeism. The four initiatives include: a) encourage consumption of a balanced and varied diet, b) promote regular physical activity, c) support smoking cessation and prevent diseases, and d) improve quality of sleep and manage stress.

11. Details of safety related incidents:

Safety Incidents/Number Lost Time Injury Frequency Rate (LTFR) per one million-person hours worked	Category	FY 2022		FY 2021	
		Employees	Workers	Employees	Workers
Total recordable work-related injuries		12	0	12	4
No. of fatalities		0	0	0	1
High consequence work-related injury or ill-health (excluding fatalities)		0	0	0	0
		0	0	0	0

12. Describe the measures taken by the Company to ensure a safe and healthy workplace:

We have established a well-defined HSE policy and HSE management system with a robust monitoring plan, operating with a multi-year approach, to ensure the effective implementation of the HSE policy. This system is designed according to the Plan-Do-Check-Act cycle of continual improvement. This approach includes the undertaking of assessments of various risks such as: workplace risks, the risk, process safety, ergonomics machinery risk, occupational health and chemical risks and so on and so forth. We also have institutionalized an HSE system which is adopted from the global safety processes and policies. Our plant and offices are ISO 14001, ISO 50001 and ISO 45001 certified.

We conduct quarterly review of our HSE performance and the findings from this review are discussed during the country HSE committee meeting under the able leadership of our Managing Director and other Senior Leadership of Sanofi India.

Following steps are undertaken in Sanofi India business to ensure safe and healthy workplace:

- Established HSE policy, targets and HSE management system
- Driving safety initiatives through safety champions and site level safety committee members
- Robust audit mechanism through safety governance for performance monitoring and measurement of safety activities
- Identifying the hazards, risks and control measures through Hazard Identification and Risk Assessment (HIRA) and allocating required resource to eliminate the risks while performing activities
- Investigation of all incidents and ensuring implementation of identified corrective and preventive action plan to stop the recurrence of similar incidents
- The necessary safety competence which includes education, work experience and training requirements, and arrangements established and maintained to ensure that all persons have been trained and are competent to carry out the safety and health aspects of their duties and responsibilities



### 13. Number of Complaints on the following made by employees and workers:

	FY 2022		FY 2021		Remarks	Pending resolution at the end of year	Remarks
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year			
Health and safety practices	0	0	0	0		0	
Working Conditions	0	0	0	0		0	

### 14. Assessments for the year:

	% of your plants and offices that were assessed (by Company or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

### 15. Provide details of any corrective action taken or under way to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working condition:

All the safety related incidents and near misses are investigated as per our HSE management system. All the identified Corrective and Preventive Action (CAPA) are defined and implemented horizontally across our operations to stop reoccurrence of similar incident. We track all our safety related incidents and is reviewed on a periodic basis to check the implementation and effectiveness.

#### Leadership Indicators

- Does the Company extend any life insurance or any compensatory package in the event of death of (A) Employees (Y / N) (B) Workers (Y / N)  
Yes, Sanofi India extends compensatory packages to employees as well as workers in the event of death.
- Provide the measures undertaken by the Company to ensure that statutory dues have been deducted and deposited by the value chain partners:  
We ensure that all statutory dues as applicable to the transactions are deducted and deposited in accordance with applicable regulations. This activity is also reviewed as part of our internal and statutory audit. We expect our value chain partners to uphold business responsibility principles and value transparency and accountability.
- Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q1.1 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:  

	No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment			
	FY 2022	FY 2021	FY 2022	FY 2021
Employees	0	0	0	0
Workers	0	0	0	0
- Does the Company provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)  
Yes, we provide transition assistance on termination of employment.

### 5. Details on assessment of value chain partners:

	% of value chain partners by value of business done with such partners that were assessed
Health and safety practices	13.75%
Working Conditions	13.75%

### 6. Provide details of any corrective actions taken or under way to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners:

No significant risks were observed through assessments conducted on health and safety practices and working condition of our supply chain.  
We carry out supply chain due diligence to identify risks across our supply chain. Our Active Pharmaceutical Ingredient (API) suppliers and third-party logistic partners are assessed by third party auditors to ensure compliance.

#### Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

##### Essential Indicators

- Describe the processes for identifying key stakeholder groups of the Company:  
We have identified our key internal and external stakeholders through peer review and analysis of stakeholder groups that could have potential impact or influence on our business operations as well as the impact our Company might have on them. We commit to actively engage with our stakeholders to understand their key expectations and develop strategies to address them.

### 2. List stakeholder groups identified as key for your Company and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether Material	Checklist of communication channels (Emails, WhatsApp, SMS, Newsletters, Pamphlets, Marginalized Advertisement, Community meetings, Group (Yes / Notices Board, Website others)	Frequency of engagement (Annually / Half yearly / Quarterly / others - Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagements
Patients	No	<ul style="list-style-type: none"> <li>Market research surveys</li> <li>Grievance redressal mechanism</li> <li>Workshops and conferences with patient advocacy group</li> <li>Patient support / assistance programs</li> </ul>	Continuous (but limited and on need basis)	<ul style="list-style-type: none"> <li>Insights on strengthening R&amp;D and improving product quality</li> <li>Responding to queries and complaints</li> </ul>
Healthcare Professionals	No	<ul style="list-style-type: none"> <li>Regular business interactions</li> <li>Customer satisfaction surveys</li> <li>Feedback system</li> <li>Grievance redressal mechanism</li> <li>Workshops and conferences</li> <li>Educational programs</li> </ul>	Continuous	<ul style="list-style-type: none"> <li>Information in and around the product and therapy area</li> <li>Insights on strengthening R&amp;D and improving product quality</li> <li>Frequent engagement and understanding HCP and patient needs</li> <li>Responding to queries and complaints</li> </ul>
Local Communities / NGOs	Yes	<ul style="list-style-type: none"> <li>Need assessment surveys</li> <li>Regular meeting</li> <li>Trainings and workshops</li> <li>Emails and telephonic conversations</li> <li>CSR reports</li> </ul>	Continuous	<ul style="list-style-type: none"> <li>Increasing awareness and understanding of disease</li> <li>Providing access to affordable healthcare</li> <li>CSR Activities</li> </ul>
Suppliers	No	<ul style="list-style-type: none"> <li>Emails and meetings</li> <li>Training workshops and seminars</li> <li>Supplier assessment and review</li> <li>Supplier grievance mechanism</li> </ul>	Continuous	<ul style="list-style-type: none"> <li>Supplier development</li> <li>Promoting local suppliers</li> <li>Supplier assessments</li> <li>Promoting shared growth</li> </ul>





5. Describe the internal mechanisms in place to address grievances related to human rights issues. There is a structured platform called "SAY" that is institutionalized at Sanofi India. On this platform, Sanofi India's complete field organization is divided in 19 circles and for each circle there are 5-7 SAY champions appointed, who constantly stay in touch

with the field colleagues of their respective circles. For each circle a senior leader is assigned as a mentor so that any concern / grievance can be immediately shared by the SAY champion to the corporate team through this mentor. Additionally, there are regular SAY champion connects with regional leadership team to discuss and resolve local concerns.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2022			Remarks	Pending resolution at the end of the year	Remarks
	Filed during the year	Pending resolution at the end of the year	Filed during the year			
Sexual Harassment	Nil	Nil	Nil	NA	Nil	NA
Discrimination at workplace	Nil	Nil	Nil	NA	Nil	NA
Child Labour	Nil	Nil	Nil	NA	Nil	NA
Forced Labour / Involuntary Labour	Nil	Nil	Nil	NA	Nil	NA
Wages	Nil	Nil	Nil	NA	Nil	NA
Other human rights related issues	Nil	Nil	Nil	NA	Nil	NA

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:  
The details of the complainant are kept confidential and the authenticity of the complainant's report is investigated by the assigned committee. The details regarding the investigation are also limited to the committee and kept confidential. The complainant is protected from any discrimination and harassment till the issue is resolved.

8. Do human rights requirements form part of your business agreements and contracts? (Yes / No)  
Yes, due diligence is conducted for the human rights compliance. It is ensured that the human rights framework is actively communicated internally and externally through agreements and contracts and further substantiated through Code of Conduct.

9. Assessments for the year:

	% of your plants and offices that were assessed (by Company or statutory authorities or third parties)
Sexual harassment	100%
Discrimination at workplace	100%
Child labour	100%
Forced / involuntary labour	100%
Wages	100%

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above:

Sanofi India conducts reviews on an annual basis and collects declaration from all employees and workers. The declarations are recorded and shared with global team. Additionally, awareness programs on the global disciplinary frameworks are conducted for all employees and workers.

#### Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints:

Nil. We did not receive any grievances / complaints regarding Human Rights principles and guidelines. Maintaining a proactive approach, we have introduced paternity leave policy and travel guidelines for our women colleagues ensuring their safety at the workplace as well as travelling to and from work.

2. Details of the scope and coverage of any Human rights due-diligence conducted:  
All on roll employees and workers are covered as part of human rights due diligence. This includes assessment on Freedom of Association, Prohibition of Forced Labour, Prohibition of Child Labour, POSH policy, etc.

3. Is the premise / office of the Company accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. We have required arrangements for the differently abled visitors like:

- Dedicated Parking
- Security Support
- Washrooms
- Adequate space for Wheelchair movement
- Visual and Audio alarms
- Emergency Evacuation Chair
- Ramps in the basement at entry points
- Braille in Lifts etc.

We are constantly working towards identifying the need of such visitors and proactively supporting on the same. We are also working on the overall Accessibility of our office premises to meet the highest standards possible.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	13.75%
Discrimination at workplace	13.75%
Child Labour	13.75%
Forced Labour / Involuntary Labour	13.75%
Wages	13.75%
Others - please specify	13.75%

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above:

We carry out supply chain due diligence to identify Human Rights related concerns and risks across our supply chain. No significant risks and concerns were identified from Human Rights assessments of value chain partners through these assessments. However, we carry out stringent vendor and distributor assessment through elaborate procedures to ensure that they adhere to all the relevant Human Rights laws and regulations.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

#### Essential Indicators

1. Details of total energy consumption (in Joules multiples) and energy intensity, in the following format:

Parameter	FY 2022	FY 2021
Total electricity consumption (A)	45,995.68	46,081.03
Total fuel consumption (B)	32,724.12	31,155.64
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	78,219.80	77,236.67
Energy intensity per rupee of turnover (Total energy consumption / turnover in rupees)	2.82	2.61

Note: No external assurance was carried out on environmental parameters for FY 2022

2. Does the Company have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any:

Sanofi India does not have sites / facilities identified as designated consumer under PAT.



## 3. Provide details of the following disclosures related to water:

Parameter	FY 2022	FY 2021
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	0	0
(ii) Ground water	12,785	39,457
(iii) Third party water	89,937	52,783
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>101,762</b>	<b>91,440</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>75,437</b>	<b>62,866</b>
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	<b>2.72</b>	<b>2.12</b>

Note: No external assurance was carried out on environmental parameters for FY 2022

## 4. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:

At Goa manufacturing site, we have installed effluent treatment plant to treat the wastewater generated from production processes. We are using this treated effluent for gardening purpose post treatment. For Mumbai office location, we have installed sewage treatment plant to treat domestic sewage and it is then further reused for toilet flushing and gardening. Excess quantity at Mumbai office is discharged to the Municipal Corporation of Greater Mumbai (MCGM) drain as per the norms given by the Pollution Control Board.

## 5. Please provide details of air emissions (other than GHG emissions) by the Company:

Parameter	Unit	FY 2022	FY 2021
NOx	MT	0.063	0.010
SOx	MT	3.610	3.463
Particulate matter (PM)	MT	2.093	2.485
Non-Methyl Hydrocarbon (NMHC)	MT	0.012	0.015

Note: No external assurance was carried out on environmental parameters for FY 2022

## 6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) &amp; its intensity:

Parameter	Unit	FY 2022	FY 2021
<b>Total Scope 1 emissions (Break-up of the GHG into CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, if available)</b>	<b>Metric tonnes of CO<sub>2</sub> equivalent</b>	<b>486.63</b>	<b>484.01</b>
<b>Total Scope 2 emissions (Break-up of the GHG into CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, if available)</b>	<b>Metric tonnes of CO<sub>2</sub> equivalent</b>	<b>9,136.16</b>	<b>10,368.23</b>
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	<b>0.35</b>	<b>0.37</b>	

Note: No external assurance was carried out on environmental parameters for FY 2022

## 7. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details:

In FY 2022, Sanofi India installed solar plants at the Mumbai office and Goa site which are active since May 2022 and September 2022, respectively. This has helped us reduce our dependency on the grid for consumption of purchased electricity. Further, we started procuring green energy at Sanofi House (Mumbai office) in FY 2022, which is sourced from renewable sources (Tata Green power). 100% of our energy requirements at the Mumbai office are met via green energy procurement.

## 8. Provide details related to waste management by the Company:

Parameter	FY 2022	FY 2021
<b>Total Waste generated (in metric tonnes)</b>		
E-Waste (A)	1.30	0.00
Bio-medical Waste (B)	0.01	0.00
Battery Waste (C)	3.21	0.00
Used oil	13.21	1.47
Miscellaneous Hazardous Waste (Process Waste, ETP sludge, etc.) (D)	75.02	152.07
Paper and Cardboard Waste (E)	92.04	73.34
Plastic Waste (F)	40.38	36.84
Metal Waste (G)	157.22	174.94
Glass Waste (H)	2.07	2.12
Wood Waste (I)	44.32	38.82
Miscellaneous Non-Hazardous Waste (J)	46.79	42.71
<b>Total (A + B + C + D + E + F + G + H + I + J)</b>	<b>475.58</b>	<b>522.31</b>

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	(i) Recycled	(ii) Re-used	(iii) Co-processing	Total
(i) Recycled	400.55	0.00	0.00	370.24
(ii) Re-used	0.00	0.00	0.00	0.00
(iii) Co-processing	75.02	152.07	152.07	522.31
<b>Total</b>	<b>475.57</b>	<b>152.07</b>	<b>152.07</b>	<b>522.31</b>

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	(i) Incineration	(ii) Landfilling	(iii) Other disposal operations	Total
(i) Incineration	0.01	0.00	0.00	0.00
(ii) Landfilling	0.00	0.00	0.00	0.00
(iii) Other disposal operations	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.01</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Note: No external assurance was carried out on environmental parameters for FY 2022

## 9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such waste:

Sanofi India has implemented a comprehensive program for the management of waste generated from our operations. All the waste streams are identified and segregated at source. We have adopted the 3R approach (Reduce, Reuse and Recycle), which helped immensely in reduction of waste generation and promote recycle and reuse across our operations. We are committed to use environmentally sound methods of the waste disposal. As a part of our resource optimization and waste minimization process, we have implemented a series of initiatives to minimize generation of waste in our manufacturing processes. At the Mumbai office, processes are identified to eliminate the use of paper by adopting digital alternatives, such as use of e-guides in place of paper based medical guides, e-transactions and billing, etc. All hazardous waste generated onsite like ETP

sludge, e-waste, used oil, batteries, biomedical waste, etc. are sent for co-processing, recycling, refining or incineration depending on the category of waste. We have successfully eliminated handling of hazardous waste from our operations. All non-hazardous waste like plastic, paper, wood, glass, metal etc. is sent for recycling.

Sanofi India adheres to the mandates of Extended Producer Responsibility (EPR), by way of collection of end-use plastic and dispose of by the methods approved by Central Pollution Control Board. All the non-saleable pharmaceutical products at distributor locations are collected back and sent for incineration.

10. If the Company has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details: Sanofi India's manufacturing facility and offices do not fall in or around ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the Company based on applicable laws, in the current financial year:  
During the reporting period, Sanofi India has not conducted any environment impact assessment.

12. Is the Company compliant with the applicable environmental law / regulations / guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances:  
During the reporting period, there were no cases of non-compliance to applicable laws, regulations, guidelines in India. Our Goa Site has got Valid Consent to Operate, issued by Goa state Pollution Control Board.

#### Leadership indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources:

Parameter	FY 2022		FY 2021	
	From renewable sources (A+B)	From non-renewable sources (C+D)	From renewable sources (in GJ)	From non-renewable sources (in GJ)
Total electricity consumption (A)	0	5,391	0	0
Total fuel consumption (B)	25,648	24,615	24,615	0
Energy consumption through other sources (C)	0	0	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>31,039</b>	<b>24,615</b>	<b>24,615</b>	<b>0</b>
Total electricity consumption (D)	40,605	46,081	46,081	0
Total fuel consumption (E)	6,576	6,541	6,541	0
Energy consumption through other sources (F)	0	0	0	0
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>47,181</b>	<b>52,622</b>	<b>52,622</b>	<b>0</b>

\*At our Goa plant, we use biomass as a renewable energy source for energy generation.

Note: No external assurance was carried out on environmental parameters for FY 2022

2. Provide the following details related to water discharged:

Parameter	FY 2022		FY 2021	
	Water discharge by destination and level of treatment (in kilolitres)	Water discharge by destination and level of treatment (in kilolitres)	Water discharge by destination and level of treatment (in kilolitres)	Water discharge by destination and level of treatment (in kilolitres)
(i) To Surface water	-	-	-	-
No treatment	-	-	-	-
With treatment - please specify level of treatment	-	-	-	-
(ii) To Ground water	-	-	-	-
No treatment	-	-	-	-
With treatment - please specify level of treatment	-	-	-	-
(iii) To Sewater	-	-	-	-
No treatment	-	-	-	-
With treatment - please specify level of treatment	-	-	-	-
(iv) Sent to third parties	-	-	-	-
No treatment	-	-	-	-
With treatment - please specify level of treatment	-	-	-	-
(v) Others	-	-	-	-
No treatment	-	-	-	-
With treatment - Tertiary Treatment	27,315	29,080	29,080	29,080
<b>Total water discharged (in kilolitres)</b>	<b>27,315</b>	<b>29,080</b>	<b>29,080</b>	<b>29,080</b>

Note:

- Treated water is not discharged outside the premises. It is used for gardening and other utility purposes.
- No external assurance was carried out on environmental parameters for FY 2022

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

None of our offices and manufacturing plant fall under areas of water stress.

4. Please provide details of total Scope 3 emissions & its intensity:

Sanofi India's Scope 3 emissions tracking mechanism is aligned with Sanofi Global's practices. We are currently in the process of quantifying our scope 3 emissions and will disclose it in the upcoming years.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the Company on biodiversity in such areas along with prevention and remediation activities:

Sanofi India's manufacturing facilities does not fall in or around ecologically sensitive areas.

6. If the Company has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:

Sr. No	Initiative undertaken along-with summary	Outcome of the initiative
1.	LEED platinum	The following was achieved: water conservation, water recycling, water reuse, indoor air quality, noise protection, energy efficiency, ground water recharge, and chemical use.
2.	Solar Energy	A solar panel project of 1800 KWH installed at our Goa site. This Project follows a BOOT (build, own, operate, transfer) funding model based on a financial agreement between a fourth partner and Sanofi for fifteen years. Solar power plant of installed at roof top of Mumbai office is having capacity of 100.10 KWP
3.	Green Energy	Our Mumbai office, energy is completely obtained from renewable energy sources and for Goa operations, we have installed a solar panel project of 1800 KWH to fulfill our energy requirement partially in this FY 2022
4.	Bio-diversity park	As part of our Planet Mobilization program laid down by Sanofi Global, we aim to nurture bio-diversity spaces at all our sites through dedicated initiatives by 2030. As a part of our commitment to fostering bio-diversity at our site, we have taken initiative for maintaining the ecosystem by developing a butterfly garden at our Goa site.

7. Does the Company have a business continuity and disaster management plan? Give details in 100 words / web link:

Yes, we have a comprehensive business continuity and disaster management plan developed and deployed to manage any emergency, disaster, crisis and business interruption scenario. Emergency Response Plan has been systematically identified for all the HSE-related emergency situations and suitable handling mechanism has been defined. A line of command and procedure to be followed is established. A global business continuity and impact assessment is carried out for all functions and operations. Business Continuity and Impact Assessment is carried out globally for all functions and operations, basis which business continuity and disaster recovery plans are formulated. The assessed operational impacts include those related to life safety, health, product crisis,

cyberattack, customer service, revenue / cash flow, public image, regulatory, product development, etc.

8. Discuss any significant adverse impact to the environment, arising from the value chain of the Company. What mitigation or adaptation measures have been taken by the Company in this regard:

We carry out supply chain due diligence to identify environmental risks across our supply chain. No significant risks and concerns were identified from Human Rights assessments of value chain partners through these assessments. Our HSE team has a forward-looking approach and ensures that any potential risks identified across the operations as well as value chain are addressed immediately.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:  
Sanofi India has not monitored data on percentage of value chain partners assessed during year. However, we have adopted the Global Supplier Code of Conduct laid down by Sanofi Global through which we are following Supplier Code of Conduct. This document has laid few guidelines on environmental aspects. We are in the process of developing assessment in coming years at India level.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers / associations:

Sanofi India is member of the six trade associations.

b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the Company is a member of / affiliated to:

Sr. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers / associations (State / National)
1.	Organisation of Pharmaceutical Producers of India (OPPI)	National
2.	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
3.	Confederation of Indian Industry (CII)	National
4.	Indo French Chamber of Commerce and Industry (IFCCI)	National
5.	The Associated Chambers of Commerce & Industry of India (ASSOCHAM)	National and International
6.	US India Strategic Partnership Forum (USISPF)	National and International

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities:  
Not Applicable since there were no cases of anti-competitive conduct by Sanofi India in FY 2022.

Leadership Indicators

1. Details of public policy positions advocated by the Company:

We work closely with various trade and industry associations including industry representations to the government and regulators. We ensure that policy advocacy is carried out in a transparent and responsible manner taking into account our as well as the larger national interest.

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company based on applicable laws, in the current financial year.  
Social impact assessments have not been currently conducted, but Sanofi plans on conducting them in the future once the projects reach an appropriate maturity level.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):  
Not Applicable

2. Provide the following information on CSR projects undertaken by your Company in designated aspirational districts as identified by government bodies:

Sr. no	State	Aspirational District	Amount spent (in ₹)
1.	Maharashtra	Jalgaon	52,55,469

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes / No)

No

b. From which marginalized / vulnerable groups do you procure?

Not Applicable

4. What percentage of total procurement (by value) does it constitute?

Not Applicable

5. Details of the benefits derived and shared from the intellectual properties owned or acquired by your Company (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
N/A				

6. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved:  
We did not have any case of intellectual property related disputes in FY 2022.

7. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Type 1 program	1,236	100%
2.	KIDS program in Goa	Approx. 500,000	-
3.	Mobile Media units in Maharashtra	245,400	-
4.	NCD awareness and screening in Hyderabad	Awareness for 573,000 and screening of approx. 340,000 individuals	-
5.	Support patients with Head & Neck cancers	100 patients	100%
6.	Awareness on Cervical and oral cancers	22,500,000 reached out through media campaigns for oral & cervical cancers awareness and prevention	100%
7.	Assam floods support	Beneficiaries: 1,000 families	100%
8.	Employee volunteering	More than 30,000	-

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback:
  - We have a comprehensive process of Product Technical Complaint (PTC) Management to facilitate timely redressal of the consumer complaints received. The process is initiated once a product quality complaint is received and logged with the Company's system. Some of the salient features of put PTC management system can be enlisted as follows:
    - On receipt of the product complaint, the complaint is logged in local tracker and acknowledgement is sent to the complainant through email / SMS
  - Corrective actions may be taken depending on the issue and the decision taken by the manufacturing site / Business unit
  - Example: Improving strength of A1SStar pen cap to avoid breakage
  - Analysis done on Number of PTC received and any adverse trend

2. Turnover of products and / services as a percentage of turnover from all products / service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Nil
Safe and responsible usage	100% of our products carry information about its responsible and safe usage. We display relevant information on the product labels as per the requirement of national and international regulatory bodies guidelines for responsible and safe consumption of medicines.
Recycling and/or safe disposal	Nil

3. Number of consumer complaints in respect of the following:

	FY 2022			FY 2021			Remarks
	Received during the year	Resolved during the year	Pending resolution at end of year	Received during the year	Resolved during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil	
Advertising	Nil	Nil	Nil	Nil	Nil	Nil	
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil	
Delivery of essential Services	Nil	Nil	Nil	Nil	Nil	Nil	
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil	
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil	
Other	Nil	Nil	Nil	Nil	Nil	Nil	

In the regular course of business, we receive and resolve all our consumer queries in a timely manner. Currently, there are no litigations in the respect of the enlisted matters.

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

5. Does the Company have a framework / policy on cyber security and risks related to data privacy? (Yes / No) If available, provide a web-link of the policy.

Yes. We are aligned with Sanofi Global's policy related to data privacy. Link of website is given herewith <https://www.sanofi.com/en/our-responsibility/sanofi-global-privacy-policy>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:

For FY 2022, there were no complaints received for issues pertaining to delivery of essential services, advertising, action taken by regulatory authorities on safety of products / services.

Leadership Indicators

1. Channels / platforms where information on products and services of the Company can be accessed (provide web link, if available):

Information related to our products and services can be found on our website: [www.sanofi.in](http://www.sanofi.in)

2. Steps taken to inform and educate consumers about safe and responsible usage of products and / or services:

We adhere to relevant regulatory requirements by disclosing information to our stakeholders on the safe and responsible usage of products. The packaging or information label attached to each product informs the consumers about instructions for safe use, composition, effects and guidance on appropriate storage conditions, among others. We also provide QR codes which opens a link that carries in-depth information related to product safety and proper usage. We empower our patients towards self-management of their conditions through education, support, technology and training that play a critical role in preventing acute complications and reducing long-term health risks.

3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services:

As per the guidelines of National Pharmaceutical Pricing Authority, we disclose discontinuation of any scheduled formulation by issuing a public notice for relevant stakeholders in addition to informing the Government at least six months prior to the intended date of discontinuation.

4. Does the Company display product information on the product over and above what is mandated as per local laws? (Yes / No / Not Applicable) If yes, provide details in brief. Did your Company carry out any survey with regard to consumer satisfaction relating to the major products / services of the Company, significant locations of operation of the Company or the Company as a whole? (Yes / No)

Yes, we regularly carry out such surveys with doctors. This is used for assessment and improvement of processes internally, in case of any disruption / discontinuation of essential services like supply of medicine, we get the status of the product in the market from supply chain team and respond to our customers.

When we get queries about product shortage, either our Supply chain customer relations team to the customer or we get the status of the product in the market from supply chain team and respond to the customer accordingly.

5. Provide the following information relating to data breaches:

- Number of instances of data breaches along with impact
- No data breaches were recorded in FY 2022.

Percentage of data breaches involving personally identifiable information of customers  
No data breaches were recorded in FY 2022.



## Report on Corporate Governance

### Company's philosophy on Code of Governance

Sanofi India Limited ("the Company") believes that good Corporate Governance fosters long-term corporate goals and enhances stakeholders' value. Every day at Sanofi, we chase the miracles of science to improve people's lives. This means being exemplary in how we do business and unlock our innovation potential because when it comes to building trust, the actions we take and decisions we make speak louder than words. Our Code of Conduct is our constitution, supporting each of us to maximize opportunities while minimizing risks; to make bold and ethical decisions that activate our purpose; and to keep our patients and customers at the heart of all we do.

We implement policies and guidelines, communicate and train all stakeholders to develop a culture of compliance at every level of the organization. With more than 67 years of presence in India and building a legacy of heritage brands and best-in-class medicines for the people, the Company's governance framework has evolved over decades fueled by its purpose. Conducting the operations with ethics and integrity, is fundamental to the Company's philosophy and business ambitions. The Company will continue to foster responsible growth, creating long-term value for our stakeholders and business partners.

The Company continues to be in compliance with the provisions of Corporate Governance as set out in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Board of Directors

The Board is at the helm of the governance structure at the Company. The Board has a good, diverse, and optimum mix of Executive and Non-Executive Directors. With the number of Non-Executive and Independent Directors more than one-half of the total number of Directors, the composition is in line with the applicable provisions of Companies Act, 2013 ("the Act") and Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). As on date of this Report, the Board consists of eight Directors comprising three Executive Directors, two Non-Executive Directors and three Independent Directors with the Chairman of the Board being an Independent Director. The composition of the Board represents optimum combination of the knowledge, experience and skills which are required by the Board to discharge its responsibilities effectively.

As on the date of this report, Mr. Aditya Narayan, Independent Director is the Chairman of the Board, Mrs. Usha Thorat, Independent Director is the Chairperson of the Audit Committee and Remuneration Committee of the Board and Mr. Rahul Bhatnagar, Independent Director is the Chairman of the Corporate

Social Responsibility Committee, Stakeholders Relationship Committee and the Risk Management Committee of the Board. Mr. Marc-Antoine Lucchini and Ms. Annapurna Das are the Non-Executive Directors of the Company. Mr. Rodolfo Hrosz is the Managing Director, Mr. Cherian Mathew is the Whole-time Director and Mr. Vaibhav Karandikar is the Chief Financial Officer and the Whole-time Director of the Company.

### Changes in Directorate:

During the year under review, Mr. Rajaram Narayanan, resigned as the Managing Director of the Company and the Board accepted his resignation at the Board meeting held on January 13, 2022. Accordingly, Mr. Rajaram Narayanan ceased to be the Managing Director effective close of business hours on April 10, 2022, to pursue an opportunity outside of Sanofi. Mr. Charles Billard resigned as the Non-Executive Director of the Company, with effect from November 3, 2022. The Board places on record its appreciation for their contribution to the Company. Mr. Rodolfo Hrosz, was appointed as the Managing Director of the Company with effect from June 1, 2022. Further, Ms. Annapurna Das was appointed as Non-Executive Director of the Company with effect from November 3, 2022.

The Directors take active part in the deliberations at the Board and Committee Meetings by providing valuable guidance and advice to the Management on various aspects of business, policy direction, governance, compliance, etc. and play a critical role on strategic issues and add value in the decision-making process of the Board of Directors.

The maximum tenure of Independent Directors is in compliance with the Act and the Listing Regulations. All the Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the Listing Regulations and section 149(6) of the Act. The Independent Directors provide an annual confirmation that they meet the criteria of Independence. Based on the confirmations/disclosures received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfill the conditions specified in the Listing Regulations and are Independent of the Management. There are no inter-relationships between the Directors of the Company. As of December 31, 2022, none of the Directors of the Company hold shares or convertible instruments in the Company.

The Company has obtained a certificate from M/s. MMJB & Associates LLP, Company Secretaries, confirming that none of the Directors on Board of the Company are debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs or any such authority. The certificate forms part of this Report.

Composition and Directorship(s) / Committee Membership(s) / Chairmanship(s) and number of other Board and Committees as on December 31, 2022 are given below:

Name of the Director	Category	No. of Directorships / Committee Memberships / Chairmanships (including Sanofi India Limited) as on December 31, 2022	
		Directorships / Committee Memberships in	
		Public Companies Listed	Unlisted
Mr. Aditya Narayan	Non-Executive Independent Director and Chairman	1	-
Mrs. Usha Thorat	Non-Executive Independent Director	1	-
Mr. Rahul Bhatnagar <sup>(*)</sup>	Non-Executive Independent Director	3	1
Mr. Marc-Antoine Lucchini	Non-Executive Director	1	-
Ms. Annapurna Das <sup>(*)</sup>	Non-Executive Director	1	-
Mr. Rodolfo Hrosz <sup>(*)</sup>	Managing Director	1	1
Mr. Cherian Mathew	Whole-time Director	1	-
Mr. Vaibhav Karandikar	Whole-time Director and Chief Financial Officer	1	-

Notes:

- Excluding Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.
- Membership or Chairmanships in Audit Committee and Stakeholder Relationship Committee of all public limited companies as on December 31, 2022, whether listed or not, including Sanofi India Limited.
- As on December 31, 2022, no Director, other than Mr. Rahul Bhatnagar holds position of an Independent Director in any other listed company. Mr. Rahul Bhatnagar is also an Independent Director of Rossell India Limited and Whiplipool of India Limited.
- Ms. Annapurna Das was appointed as Non-Executive Non Independent Director w.e.f. November 3, 2022.
- Mr. Rodolfo Hrosz was appointed as Managing Director w.e.f. June 1, 2022.
- The number of Directorship(s), Committee Memberships(s) / Chairmanship(s) of all Directors is within respective limits prescribed under the Act and Listing Regulations as amended from time to time.

### Board Meetings

During the year ended December 31, 2022, 9 (Nine) Board Meetings were held on the following dates through video-conferencing / other Audio-visual means:

January 13, 2022, February 23, 2022, March 3, 2022, April 18, 2022, April 26, 2022, April 27, 2022, July 26, 2022, November 1, 2022 and November 3, 2022.

Attendance details of each Director at the Board Meetings held during the Financial Year ended December 31, 2022 and the last Annual General Meeting are given below:

Name of the Director	No. of Board Meetings held during the Financial Year ended December 31, 2022	No. of Board Meetings attended	Attendance at last Annual General Meeting held on April 26, 2022
Mr. Aditya Narayan	9	9	Yes
Mrs. Usha Thorat	9	9	Yes
Mr. Rahul Bhatnagar	9	9	Yes
Mr. Marc-Antoine Lucchini	9	7	Yes
Mr. Charles Billard <sup>(*)</sup>	9	7	Yes
Ms. Annapurna Das <sup>(*)</sup>	-	-	No
Mr. Rajaram Narayanan <sup>(**)</sup>	3	3	No
Mr. Rodolfo Hrosz <sup>(*)</sup>	3	3	Yes
Mr. Cherian Mathew	9	8	Yes
Mr. Vaibhav Karandikar	9	9	Yes

<sup>(\*)</sup> Resigned as Non-Executive Non Independent Director w.e.f. the close of business hours on November 3, 2022.

<sup>(\*\*)</sup> Ms. Annapurna Das was appointed as Non-Executive Non Independent Director w.e.f. November 3, 2022.

<sup>(\*\*\*)</sup> Resigned as Managing Director w.e.f. April 10, 2022.

<sup>(#)</sup> Mr. Rodolfo Hrosz was appointed as Managing Director w.e.f. June 1, 2022 and had attended the last AGM as an Invitee.

The Chairpersons of the Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee were present at the last Annual General Meeting.



**Board processes:**

1. A detailed agenda, setting out the business to be transacted at the meeting(s), supported by detailed notes and presentations, if any, is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee meeting(s) except where meetings have been convened at a shorter notice to transact urgent business.
2. The Directors are provided with the VC facility to participate in the meetings of the Board and of Committees. The Directors participated in the Meeting of the Board and Committees through VC facility / physically.
3. All material information is circulated to the Directors before the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of the Listing Regulations. The Board also, *inter-alia*, periodically reviews strategy and business plans, annual operating and capital expenditure budget(s), investment(s), compliance reports of applicable laws, as well as steps taken by our Company to rectify instances of non-compliances, if any, minutes of the Committees of the Board, approval of quarterly / half-yearly / annual results, updates on about issues, safety and risk management, transactions pertaining to purchase / disposal of property(ies), divestments, etc.
4. The Company has well-established framework for the meetings of the Board and its Committees to enable decision making process at the meetings in an informed and efficient manner. The Directors have unrestricted access to all the information pertaining to the Company.

5. The Board has constituted Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and the Risk Management Committee. Each of the Committees deal with matters as mandated by the statutory regulations and play a very crucial role in the overall governance structure. All the Committees have specific terms of reference approved by the Board which outlines the composition, scope, powers & duties and responsibilities. At each Board meeting, the Chairperson of respective Committees briefs the Board on matters discussed by the Committee at their respective meetings. The minutes of the meeting of all Committees are placed before the Board for review. During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.
6. The Company Secretary attends the meetings of the Board and its Committees and is, *inter-alia*, responsible for recording the minutes of such meetings. The draft minutes of the Board and its Committees are sent

to the Chairpersons and Members for their comments in accordance with the Secretarial Standards. The Company adheres to the provisions of the Act, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors, its Committees and the General Meetings of the members of the Company.

**Meeting of the Independent Directors:**

The Independent Directors of the Company meet without the presence of the Executive Directors and other Non-Executive Director or any other Management Personnel. These Meetings are conducted to enable the Independent Directors to, *inter-alia*, discuss matters pertaining to review of performance of Executive and Non-Independent Directors and the Board of Directors as a whole, assess the quality, quantity, and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to perform their duties effectively. During the year ended December 31, 2022, Mr. Aditya Narayanan Chaired the meeting.

**Familiarization Programme for Directors:**

Familiarization Programmes are conducted for Independent Directors to enable them to understand their roles, rights and responsibilities. Presentations are also made at the Board meetings which facilitates them to clearly understand the business of the Company and the environment in which the Company operates. Regulatory updates are provided with necessary documents required for them to have a good understanding of Company's operations, businesses and the industry as a whole. Further, they are periodically updated on material changes in regulatory framework and its impact on the Company. When a Director is inducted on the Board, a detailed induction program is conducted including organization structure, ethics and compliance practices, key therapies and products in which the Company operates, human resources overview like talent acquisition initiatives, performance management, succession planning, Company policies, etc.

The details of such familiarization programmes for Independent Director(s) are put-up on the website of the Company and can be accessed through the following link: <https://www.sanofiindia.com/en/investors/corporate-policies>.

**Committees of the Board:**

**Audit Committee**

The Audit Committee comprises of three Directors of / Non-Independent Directors and one Non-Executive being an Independent Director. All the members of the Committee have relevant accounting or related financial management expertise.

The terms of reference of the Audit Committee are wide and cover all the matters specified for Audit Committee under Regulation 18 read with Part C of Schedule II to the Listing Regulations and the Act.

The terms of reference of the Audit Committee include *inter-alia*, overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient, and credible; reviewing and examining with management the quarterly and annual financial results and the auditors' report thereon before submission to the Board for approval; reviewing management discussion and analysis of financial condition and results of operations; reviewing, approving or subsequently modifying any related party transactions in accordance with the Company's policy on Related Party Transaction; recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services; reviewing and monitoring the auditor's independence and performance and effectiveness of audit process; reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors; reviewing with management Statutory Auditors and Internal Auditor, the adequacy of internal control systems; reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and evaluating internal financial controls and risk management systems; reviewing the functioning of the Code of the Company and Whistle-Blowing Mechanism; and review of internal controls pertaining to compliances under the Insider Trading Regulations.

In addition to quarterly meetings for consideration of financial results, special meetings of the Audit Committee are convened for approving related party transactions, valuation reports of assets/ businesses, risk assessment, controls and internal audit and control reports pertaining to the Company.

The meetings of the Audit Committee are also attended by the Head of Accounts, the Statutory Auditors, the Internal Auditors and the Company Secretary. The Audit Committee meets the Statutory Auditors in absence of the Management.

During the year, the Audit Committee was re-constituted due to resignation of Mr. Charles Billard and appointment of Ms. Annapurna Das, as a Member with effect from November 3, 2022.

- During the year ended December 31, 2022, 6 (Six) Audit Committee meetings were held on February 1, 2022, February 22, 2022, April 25, 2022, July 25, 2022, November 2, 2022 and December 15, 2022.

The constitution of the Audit Committee and attendance details during the Financial Year ended December 31, 2022, are given below:

Name of the Director	Category	No. of Committee Meetings held during the tenure of the Director	No. of Committee Meetings attended
Mrs. Usha Thorat	Chairperson of the Committee, Independent Director	6	6
Mr. Rahul Bhainagar	Member, Independent Director	6	6
Mr. Charles Billard*	Member, Non-Executive Director	6	4
Ms. Annapurna Das**	Member, Non-Executive Director	1	1

\* Resigned as Non-Executive Non Independent Director w.e.f. the close of business hours on November 3, 2022 and accordingly ceased to be a Member as on said date.  
\*\* Ms. Annapurna Das was appointed as a Non-Executive Non Independent Director and a Member w.e.f. November 3, 2022  
The Company Secretary acts as Secretary to the Committee.

**Nomination and Remuneration Committee**

The Nomination & Remuneration Committee comprises of these Directors of which, two Independent Directors and one Non-Executive / Non-Independent Director, with the Chairperson being an Independent Director.

The terms of reference of the Committee are in line with the requirements of Regulation 19 read with Part D of Schedule II to the Listing Regulations and the which Act include:

1. Formulate and recommend Nomination and Remuneration Policy to the Board
2. For every appointment of an Independent Director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) consider the time commitments of the candidates

3. Identify the candidates who are qualified to become Directors
4. Identify the persons who are qualified to become Senior Management as per the Nomination and Remuneration Policy
5. Recommend to the Board the appointment and removal of the Directors and Senior Management
6. Review and approve the remuneration policies and annual payments to Directors; make sure that the remuneration to Senior Management and other employees are as per the remuneration policy
7. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management
8. Lay down the process for evaluation of the performance of Board, its Committees and Individual Director and review its implementation and compliance
9. Devise and review Board Diversity Policy
10. Review the succession policies and plans for Directors and Senior Management
11. Decide whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

During the year ended December 31, 2022, 5 (Five) Nomination and Remuneration Committee Meetings were held on January 13, 2022, February 23, 2023, March 3, 2022, April 18, 2022 and November 3, 2022.

The constitution of the Nomination and Remuneration Committee and attendance details during the financial year ended December 31, 2022, are given below:

Name of the Director	Category	No. of Committee Meetings attended during the tenure of the Director	No. of Committee Meetings attended
Mrs. Usha Thorat	Chairperson of the Committee, Independent Director	5	5
Mr. Rahul Bhatnagar	Member, Independent Director	5	5
Mr. Marc-Antoine Lucchini	Member, Non-Executive Director	5	4

The Company Secretary acts as Secretary to the Committee.

### Nomination and Remuneration Policy

The Nomination and Remuneration Policy of the Company is performance driven and is designed to motivate

employees, recognize their achievements, and promote excellence in performance.

During the year under review, the Board amended the Nomination and Remuneration Policy to include the Company's Leadership Competency Framework. The policy was also revised to explain the variable pay including the Long-term incentive and the Short-term Incentive Policy of the Company. Overall the policy provides guidance on:

- (1) Selection and nomination of Directors to the Board of the Company;
- (2) Appointment of the Senior Management Personnel of the Company; and
- (3) Remuneration of Directors, Key Management Personnel and other employees.

The Policy is available on Company's website at <https://www.sanofiindia Ltd.com/en/investors/corporate-policies>

### Board Selection Criteria / list of core skills / expertise / competencies identified in the context of the business:

The Nomination and Remuneration Committee has approved the Nomination and Remuneration Policy which sets out criteria for inducting Board members:

- The candidate shall have appropriate skills and experience in one or more fields of management, sales, marketing, medical, finance, HR, law, public administrative services, research, corporate governance, technical operations or any other disciplines related to the Company's business.

- The Committee shall keep Board diversity policy in mind while recommending a candidate for appointment as Director

- The number of companies in which the candidate holds directorship should not exceed the number prescribed under Companies Act, 2013 or under the Listing Regulations requirement.

- The candidate should not hold Directorship in any of the competitor companies and should not have any conflict of interest with the Company.

- The candidate proposed to be appointed as Independent Director, should not have any direct or indirect material pecuniary relationship with the Company and must satisfy the requirements imposed under Act or under the Listing Regulations requirement.

- The candidate should also have the ability to exercise sound business judgment, demonstrate leadership or prominence in a specified field, willingness to devote the required time and possess integrity and moral reputation

In terms of requirement of Listing Regulations, the Board has identified the following skills / expertise / competencies of the Directors as given below:

### Skills & Description

<p><b>Strategy Development and Insight:</b> Developing long-term strategies to sustainably grow business, profitably and competitively, in a highly regulated and fast changing environment.</p>	<p><b>Business Leadership and management:</b> Leading complex organizations with understanding of changes in external environment, business development and competitive landscape. All Directors have these competencies.</p>	<p><b>Pharma Business:</b> Expertise on pharma business matters including unmet medical needs of patients / healthcare systems / healthcare professionals, competitive landscape in pharma business, pharma regulations, emerging business opportunities and risks.</p>

**Finance and Accounts:**  
Understanding of accounting and financial statements.

**Governance, Risk and Compliance:**  
Understanding of the governance principles, Board accountability, internal control and regulatory environment, risk management in a large complex organization and emerging local and global trends.


### Remuneration to Executive Directors

The Nomination and Remuneration Committee recommends to the Board the remuneration payable to the Managing Director, Whole-time Directors and the Key Managerial Personnel. The elements of remuneration package include salary, benefits, retrials, performance linked incentives, etc. and is decided based on the performance, Company policy and benchmarks.

Annual increments are recommended by the Nomination and Remuneration Committee to the Board for approval within the salary range approved by the Shareholders and in line with the Nomination and Remuneration Policy. The Executive Directors are entitled to Performance Linked Incentives with target payouts fixed and payout ranges of 0% to 200% of the target amounts to be paid at the end of the financial year as may be determined by the Board and are based on certain pre-agreed performance parameters.

The details of remuneration paid to the Managing Director and the Whole-time Directors during the Financial Year ended December 31, 2022 are given below:

Name of the Executive Director	Salary and Allowances as per Income Tax Act (₹ million)	Perquisites and Allowances as per Income Tax Act (₹ million)	Company's Contribution to the Funds (₹ million)	Performance Incentive (₹ million)	Total (₹ million)	Contract Period
Mr. Rajaram Narayanan*	17.34	1.31	0.96	13.17	32.78	Not Applicable as ceased to be a Director
Mr. Rodolfo Hrosz**	12.82	4.19	0.84	**	17.85	3 years w.e.f. June 1, 2022
Mr. Cherian Mathew	18.93	0.24	1.86	5.49	26.52	5 years w.e.f. July 29, 2019
Mr. Valbhav Karandikar	12.35	0.47	2.22	4.92	19.96	5 years w.e.f. February 23, 2021

\* Mr. Rajaram Narayanan ceased to be the Managing Director with effect from close of business hours of April 10, 2022.

\*\* Mr. Rodolfo Hrosz was appointed as Managing Director w.e.f. June 1, 2022. Performance Linked Incentive not applicable as he was managing Director for part of the Financial Year 2022.

Notes:

- Except for Mr. Rajaram Narayanan, the above excludes provision for leave encashment, gratuity, long service award and pension which are determined on the basis of actuarial valuation done on an overall basis for the Company.
- Notes period applicable to each of the Whole-time Directors is three months. The Whole-time Directors are not entitled to any severance pay on termination of their respective contract.

The Company does not have a scheme for grant of stock options. However, the Managing Director and the Whole-time Directors and few Senior Executives of the Company are granted stock options / performance shares of the ultimate holding company, Sanofi.

The amounts accrued in the financial statements for the year ended December 31, 2022 for stock options / performance shares granted to Mr. Rodolfo Hrosz, Mr. Cherian Mathew and Mr. Valbhav Karandikar are ₹ 6 Million, ₹ 6 Million and ₹ 4 Million respectively.

#### Remuneration to Non-Executive Directors

The Non-Executive Directors are paid remuneration in the form of Sitting fees and Commission. During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Directors apart from Sitting fees and Commission.

Non-Executive Directors who are employees of Sanofi group do not receive any Sitting fees or Commission from the Company. Independent Directors are paid Sitting fees for attending Board and Committee Meetings.

Pursuant to the approval of the Members at the Annual General Meeting of the Company held on May 7, 2019, the Independent Directors also receive Commission on the net profits of the Company, as may be determined by the Board from time to time, subject to a ceiling of one per cent of the net profits of the Company.

The Sitting fees paid and Commission payable to such Directors for the Financial Year ended December 31, 2022 is given below:

Name of the Director	Sitting Fees paid (₹ million)	Commission Payable (₹ million)	Total (₹ million)
Mr. Aditya Narayan (Chairman)	0.95	2.34	3.29
Mrs. Usha Thorat	1.81	1.20	3.01
Mr. Rahul Bhatnagar	2.05	1.20	3.25

#### Performance Evaluation of the Board / Committees / Directors:

The Company follows a structured assessment process for evaluation of performance of the Board, Committees of the Board and individual performance of each Director including the Chairman based on the criteria approved by the Nomination and Remuneration Committee.

The Chairman of the Board leads the exercise of the Performance Evaluation with the Company Secretary, assisting him.

The evaluation is based on parameters like level of participation of the Directors, understanding of the roles and responsibilities of Directors, understanding of the business and competitive environment in which the Company operates, understanding of the strategic issues and challenges for the Company, etc. The performance

of the Independent Directors is also evaluated taking into account the time devoted, strategic guidance to the Company, advice given for determining important policies, external expertise provided and independent judgment that contributes objectively to the Board's deliberation.

The performance evaluation of the Board is carried out taking into account the various parameters like composition of Board, process of appointment to the Board, common understanding among Directors of their role and responsibilities, timelines and content of Board papers, strategic directions, advice and decision making, etc. The Board also notes the actions undertaken, pursuant to the outcome of previous evaluation exercises. Each Committee's self-assessments carried out based on the degree of fulfillment of the key responsibilities as outlined by its terms of reference.

For the year ended December 31, 2022, evaluation forms were circulated to the Board Members. Each Director completes the evaluation form and shares feedback. The feedback scores as well as qualitative comments are then shared with the Nomination and Remuneration Committee and presented by the Chairman to the Board. The feedback on Committee Evaluation is shared by the Committee Chairperson with the Committee Members. Nomination and Remuneration Committee is convened to discuss the outcome of Performance evaluation exercise. The Chairman of the Board and the Chairperson of the Nomination and Remuneration Committee briefs the Board on the overall outcome.

The evaluation of individual Directors is on parameters such as attendance, contribution and independent judgment. During the year, Board evaluation exercise was completed by the Company internally which included the evaluation of the Board as a whole, Board Committees and Peer evaluation of the Directors. The outcome and action points were discussed by the Board in February 2023. The Board agreed to focus on areas of succession planning for key roles and implementation of strategic initiatives as part of the outcome of Board evaluation for the year 2022.

#### Stakeholders Relationship Committee

The role of the Stakeholders Relationship Committee includes:

- Resolving the grievances of security holders of the Company.
- Reviewing the measures taken for effective exercise of voting rights by shareholders.
- Reviewing of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent (RTA).
- Reviewing various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend

warrants / annual reports / statutory notices by the shareholders of the Company.

During the year ended December 31, 2022, 2 (two) Stakeholders Relationship Committee Meeting were held on July 5, 2022 and November 2, 2022. The composition of the Committee was also changed twice when Mr. Rajaram Narayan ceased to be the Managing Director and Member. Mr. Mathew Cherian, Whole-time Director was appointed as a Member of the Committee for the period April 10, 2022 to June 1, 2022. At the Board meeting held on April 18, 2022, Mr. Rodolfo Hrosz, Managing Director was appointed as a Member of the Stakeholders Relationship Committee with effect from June 1, 2022.

Constitution of the Stakeholders Relationship Committee and attendance details during the Financial Year ended December 31, 2022, are given below:

Name of the Director	Category	No. of Committee Meetings attended during the tenure of the Director	No. of Committee Meetings attended
Chairman of the Committee, Independent Director		2	2
Mr. Rajaram Narayanan*	Managing Director	Nil	Nil
Mr. Mathew Cherian**	Member, Whole-time Director	Nil	Nil
Mr. Rodolfo Hrosz***	Member, Managing Director	2	2
Mr. Valbhav Karandikar	Member, Whole-time Director	2	2

\* Mr. Rajaram Narayanan ceased to be the Managing Director with effect from close of business hours of April 10, 2022, and accordingly ceased to be a Member as on said date.

\*\* From April 10, 2022 to June 1, 2022.

\*\*\* Mr. Rodolfo Hrosz was appointed as Managing Director and Member w.e.f. June 1, 2022.

Ms. Radhika Shah, Company Secretary of the Company acts as the Secretary and Compliance Officer to the meetings of the Stakeholders Relationship Committee.

During the Financial Year, 28 (Twenty-Eight) complaints were received from Shareholders. All these were attended / resolved and there were no pending complaints from Shareholders as on December 31, 2022.

#### Corporate Social Responsibility (CSR) Committee

The CSR Committee provides guidance on various CSR activities to be undertaken by the Company and monitors its progress.

The terms of reference for the CSR Committee include:

- Formulate, review, amend and recommend CSR Policy to the Board for approval



- Review the Annual CSR action plan and the CSR budget and give recommendations to the Board for its approvals
- Monitor the CSR programs from time to time as per CSR Policy, provide update to the Board to help Board in monitoring the implementation of CSR programs
- Review the impact assessments on CSR programs and provide update to the Board as part of the CSR Report.

During the year ended December 31, 2022, 3 (Three) CSR Committee Meetings were held on February 8, 2022, July 25, 2022 and November 3, 2022. The composition of the Committee was also changed twice when Mr. Rajaram Narayan ceased to be the Managing Director and Member, Mr. Mathew Cherian, Whole-time Director was appointed as a Member of the Committee for the period April 10, 2022 to June 1, 2022. At the Board meeting held on April 18, 2022, Mr. Rodolfo Hrosz, Managing Director was appointed as a Member of the Corporate Social Responsibility Committee with effect from June 1, 2022.

The constitution of the CSR Committee and attendance details during the Financial Year ended December 31, 2022 are given below:

Name of the Director	Category	No. of Committee Meetings held during the tenure of the Director	No. of Committee Meetings attended
Mr. Rahul Bhatnagar	Chairman of the Committee, Independent Director	3	3
Mrs. Usha Tharal	Member, Independent Director	3	3
Mr. Rajaram Narayanan*	Member, Managing Director	1	1
Mr. Vaidhyanathan Karandikar**	Whole-time Director and Chief Financial Officer	Nil	Nil
Mr. Rodolfo Hrosz***	Managing Director	2	2

\* Mr. Rajaram Narayanan ceased to be the Managing Director with effect from close of business hours of April 10, 2022 and accordingly ceased to be a Member as on said date.

\*\* From April 10, 2022 to June 1, 2022.

\*\*\* Mr. Rodolfo Hrosz was appointed as Managing Director and Member w.e.f. June 1, 2022.

The Company Secretary acts as Secretary to the Committee.

Details on the CSR activities forms part of the Directors' Report.

### Risk Management Committee

The role of Risk Management Committee includes the implementation of Risk Management Systems and Framework, review the Company's financial and risk management policies, assess risk and procedures to minimize the same.

The terms of reference of the Risk Management Committee are in line with the requirements of Regulation 21(4) read with Part D of Schedule II to the Listing Regulations and the Act which include:

- Formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
- Measures for risk mitigation including systems and processes for internal control of identified risks.
- Business continuity plan.
- Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- Keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- Review appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

During the year ended December 31, 2022, 3 (Three) Risk Management Committee Meetings were held on February 6, 2022, July 5, 2022 and November 2, 2022. The Risk Management policy was amended during the year to include the revised governance and focus on Risk management in the Company. The details of the governance and process followed is covered in the Governance chapter of the Integrated Annual Report.

The composition of the Committee was changed when Mr. Rajaram Narayan ceased to be the Managing Director and Member, Mr. Rodolfo Hrosz, Managing Director was appointed as a Member of the Committee with effect from June 1, 2022.

The constitution of the Risk Management Committee and attendance details during the Financial Year ended December 31, 2022 are given below:

Name of the Director	Category	No. of Committee Meetings held during the tenure of the Director	No. of Committee Meetings attended
Mr. Rahul Bhatnagar	Chairman of the Committee, Independent Director	3	3
Mr. Rajaram Narayanan*	Member, Managing Director	1	1
Mr. Rodolfo Hrosz**	Member, Managing Director	2	2
Mr. Cherian Mathew	Member, Whole-time Director	3	3
Mr. Vaidhyanathan Karandikar	Member, Whole-time Director and Chief Financial Officer	3	3

\* Mr. Rajaram Narayanan ceased to be the Managing Director with effect from close of business hours of April 10, 2022 and accordingly ceased to be a Member as on said date.

\*\* Mr. Rodolfo Hrosz was appointed as Managing Director and Member w.e.f. June 1, 2022.

### Code of Conduct and Business Ethics

The Company has adopted a Code of Conduct and Business Ethics for Directors and Senior Management of the Company, as required under Regulation 17(5)(a) of the Listing Regulations. The Company has received confirmations from the Directors and Senior Management regarding compliance with the Code for the year ended December 31, 2022.

A certificate from the Managing Director to this effect is attached to this Report.

The Code has been displayed on the Company's website at <https://www.sanofindiaid.com/en/Investors/corporate-policies>.

### Whistle Blower Policy

The Vigil Mechanism as envisaged in the Act and the Rules prescribed thereunder and the Listing Regulations is implemented through the Code of Conduct, Whistleblower and other Governance Policies of the Company, Sanofi's Code of Conduct (Code of Conduct) Sanofi lays out the defining principles of highest ethical standards. Sanofi employees are trained to use the Code of Conduct as a part of their day-to-day functional responsibilities. The Company has established a 24x7 Compliance Helpline which can be accessed through Toll Free Number 008004401286, or through webpage: EthicsPoint - Sanofi-Aventis Group where employees can report incidents with complete anonymity.

Besides this, the Company's Whistleblower policy also provides option to employees to raise concerns directly to Chairperson of Audit Committee via email to [chairman.auditcommittee@sanofi.com](mailto:chairman.auditcommittee@sanofi.com).

As required under Listing Regulations, the Company has a Whistle Blower Policy which has been displayed on its website at <https://www.sanofindiaid.com/en/Investors/corporate-policies>.

No personnel have been denied access to the Audit Committee.

### Code of Conduct for Prevention of Insider Trading

As required by the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Sanofi India Limited - Code of Conduct to Regulate, Monitor and Report Trading by Insiders. The Company Secretary acts as the Compliance Officer. The Code of Conduct is applicable to all Directors and designated persons of the Company who are expected to have access to unpublished price sensitive information relating to the Company. The Code of Conduct lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with securities of the Company and cautions them of the consequences of violations.

### Related Party Transactions

During the year under review, there were no material transactions or arrangements entered into between the Company and its Promoters, Directors or their Relatives or the Management, Subsidiaries, etc. that may have potential conflict with the interests of the Company at large.

All the Related Party Transactions were in the ordinary course of business and at arm's length, approved by the Audit Committee and Board in line with the Company's policy on Related Party Transactions. Policy on transactions with related parties has been displayed on the Company's website at <https://www.sanofindiaid.com/en/Investors/corporate-policies>.

The Audit Committee has granted omnibus approval for related party transactions in the ordinary course of business. The same are reviewed on a quarterly basis by the Audit Committee. Transactions with related parties, including the promoter / promoter group which hold(s) more than 10% shareholding in the Company, have been disclosed in the Annual Accounts. All Material Related Party Transactions defined as per the Listing Regulations were approved by the shareholders of the Company.

The details of related party transactions are presented in Note No. 40 to Annual Accounts in the Annual Report.

In addition, as per the Listing Regulations, your Company has also submitted within 15 days from the date of publication of financial results for the half year, disclosures of related party transactions, in the format specified in the relevant accounting standards for annual results and same is also available on the website of the Company at <https://www.sanofindiaid.com/en/Investors/disclosures/other-disclosures>.

## General Body Meetings

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Location
January - December 2019	July 7, 2020	3:00 p.m.	At Registered Office - through Video Conferencing facility
January - December 2020	April 27, 2021	3:00 p.m.	At Registered Office - through Video Conferencing facility
January - December 2021	April 29, 2022	3:00 p.m.	At Registered Office - through Video Conferencing facility

All the resolutions set out in the respective Notices were passed by the Shareholders.

During the previous three Annual General Meetings, following resolutions were passed as Special Resolutions:

AGM Date	Special Resolutions
July 7, 2020	None
April 27, 2021	Re-appointment of Mr. Aditya Narayan as Independent Director for a second term of five consecutive years from April 30, 2021 to April 29, 2026
	Re-appointment of Ms. Usha Thorat as Independent Director for a second term of five consecutive years from April 30, 2021 to April 29, 2026
April 26, 2022	None

## Postal Ballot

During the Financial Year 2022, the following Ordinary Resolutions were passed by the Company through Postal Ballot by way of remote of e-voting:

Sr. No.	Resolution	Votes in favour (%)	Votes against (%)	Abstention (%)
1.	Approval for Material Related Party Transactions with Sanofi Healthcare India Private Limited (CIN: 09609932) as Director	99.99	0.01	
2.	Appointment of Mr. Rodolfo Hioz (CIN: 09609932) as Director	98.79	1.21	
3.	Appointment of Mr. Rodolfo Hioz (CIN: 09609932) as Managing Director	91.05	8.95	
4.	Appointment of Ms. Annapurna Das (CIN: 08634604) as a Non-Executive Director (Independent Director)	99.13	0.87	

## Procedure for Postal ballot

The Company had issued Postal Ballot Notice dated February 14, 2022, April 26, 2022 and November 3, 2022 to the Members, seeking their consent with respect to the aforesaid resolutions.

## General Shareholder Information

AGM Date, Time and Venue:	Thursday, May 11, 2023 at 3:00 p.m. through Video Conferencing facility
Financial Year:	January to December
First Quarter Results:	1st Fortnight of May, 2023
Half Yearly Results:	1st Fortnight of August, 2023
Third Quarter Results:	1st Fortnight of November, 2023
Fourth Quarter and Annual Results:	2nd Fortnight of February, 2024
Dates of Book Closure:	Saturday, April 29, 2023 to Thursday, May 11, 2023 (both days inclusive)
Dividend payment date:	On or after May 22, 2023, if declared at ensuing Annual General Meeting scheduled on Thursday, May 11, 2023.

Listing on Stock Exchanges:  
The Company's Shares are listed on the Stock Exchanges mentioned below and accordingly the Company has paid the Listing Fees to them for the Financial Year 2022.

BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
National Stock Exchange of India (NSE)	C-1, Block G Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.
Stock Code:	500674 on BSE and SANOFI on NSE
ISIN Number for NSDL & GDSL:	INE056A01010

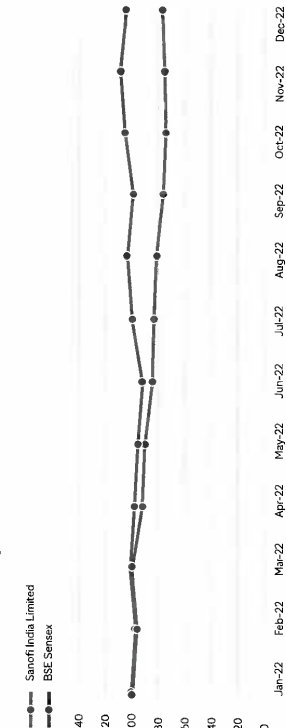
## Market Price Data

High / Low during each month in the Financial Year 2022. Share Price on BSE and NSE (Face Value ₹ 10 each)

Months	BSE		NSE	
	High ₹	Low ₹	High ₹	Low ₹
Jan-22	7,897.10	6,949.35	7,899.00	6,945.00
Feb-22	7,670.00	7,074.50	7,599.95	7,068.70
Mar-22	7,726.50	7,010.00	7,725.00	7,003.10
Apr-22	7,938.90	6,950.00	7,929.45	6,951.00
May-22	7,018.40	6,320.70	7,010.00	6,351.00
Jun-22	7,020.00	6,351.00	7,035.95	6,352.00
Jul-22	6,900.00	6,328.00	6,889.95	6,328.00
Aug-22	6,645.35	6,130.00	6,633.00	6,130.00
Sep-22	6,196.15	5,751.05	6,198.70	5,757.85
Oct-22	6,051.25	5,520.00	6,050.00	5,510.00
Nov-22	5,734.00	5,454.10	5,735.00	5,454.00
Dec-22	5,995.00	5,656.55	5,947.80	5,652.00

(Source: Websites of BSE and NSE)

## Stock Performance in comparison to BSE Sensex



Note: The monthly closing prices of the BSE Sensex and Sanofi equity shares have been indexed to 100 as on January 1, 2022.



**Registrar and Share Transfer Agents**

Link Intime India Pvt. Ltd.,  
C-101, 247 Park, L. B. S. Marg,  
Vikhroli West, Mumbai 400083.  
Contact person: Ms. Sujata Poojary  
Telephone No.: 810 811 6767  
Fax No.: (022) 49186060  
Email: [rt.thebodes@linkintime.co.in](mailto:rt.thebodes@linkintime.co.in)

**Share Transfer System**

The Board has delegated the authority for approving transfer, transmission, issue of duplicate shares, name deletion and such other related matters to the Share Transfer Committee.

During the year, all share transmission, issue of duplicate shares, name deletion and such other related matters were approved by the Share Transfer Committee within prescribed timelines. There is no set frequency of the Share Transfer Committee meetings and transactions are approved as and when received.

A summary of transactions so approved by the Committee is placed at the Board Meeting held quarterly. The Company obtains a certificate from Practising Company Secretaries as per the requirement of Regulation 40(9) of Listing Regulations and same is filed with the Stock Exchanges.

**Transfer of shares to Ministry of Corporate Affairs Investor Education and Protection Fund (IEPF) Account**

Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Amendment Rules 2017



**Transfer of shares to Unclaimed Suspense Account**

Pursuant to Regulation 39 and Schedule V and VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Company has transferred unclaimed shares in its Unclaimed Suspense Account details of which are given below:

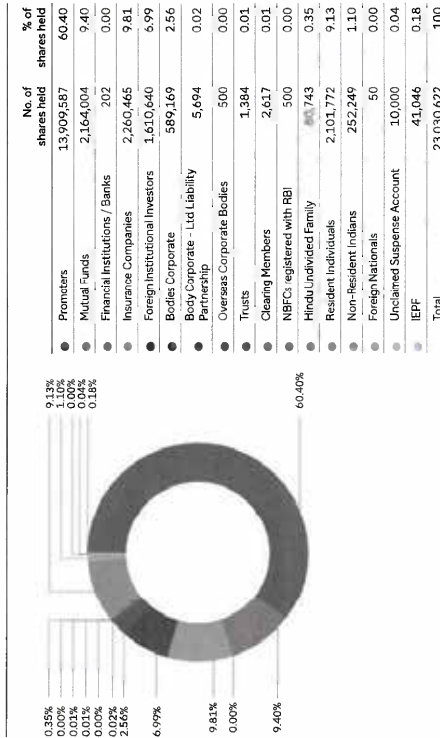
Particulars	No. of Records	No. of shareholders	No. of Equity Shares
Aggregate number of shareholders/records and the outstanding shares in the Unclaimed Suspense Account	219	204	10,990
Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the year	5	5	250
Number of shareholders/records whose shares were transferred from suspense account to the demat account of Investor Education and Protection Fund under the provisions of Section 124(e) of the Companies Act, 2013	10	10	700
Number of shareholders/records and aggregate number of shares transferred to the Unclaimed Suspense Account during the year	-	-	-
Aggregate number of shareholders and outstanding shares in the Unclaimed Suspense Account lying as on December 31, 2022	204	189	10,000

All Corporate benefits on such shares i.e., bonus shares, split shares etc., including dividend shall be credited to the account of the IEPF Authority. The voting rights on shares lying in the Unclaimed Suspense Account shall remain frozen till the rightful owner of such shares establishes his/her title of ownership to claim the shares.

**Distribution of Shareholding as on December 31, 2022**

Sr. No	Range of the number of shares	No. of Shareholders	% of Shareholders	No. of shares held	% of Shareholding
1.	1 to 500	76,442	99.29	1,911,021	8.30
2.	501 to 1,000	270	0.35	196,226	0.85
3.	1,001 to 5,000	175	0.23	388,422	1.69
4.	5,001 to 10,000	26	0.03	181,208	0.79
5.	10,001 & Above	77	0.10	20,353,745	88.38
	<b>Total</b>	<b>76,990</b>	<b>100.00</b>	<b>23,030,622</b>	<b>100.00</b>

**Shareholding Pattern as on December 31, 2022**



notified by the Ministry of Corporate Affairs, the Company is required to transfer all shares in respect of which dividend has not been paid or claimed by the Members for seven consecutive years or more in the name of Investor Education and Protection Fund (IEPF) Suspense Account. Adhering to various requirements set out in the Rules, the Company has taken appropriate action for transferring the shares to the Demat Account opened by the IEPF Authority. The Company has also uploaded details of such Members whose shares are transferred to IEPF Suspense Account on its website at <https://www.sanofiindia.ltd.com/en/investors/transfer-of-shares-to-iefp>.

The shares transferred to IEPF Suspense Account including all benefits accruing on such shares, if any, can be claimed by the Members from IEPF Authority, after following the procedure prescribed under the Rules.

Pursuant to the provisions of Sections 124 and 125 of the Act, dividends which remain unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account are required to be transferred to IEPF established by the Central Government. The details of unpaid dividends are uploaded on the website of the Company at <https://www.sanofiindia.ltd.com/en/investors/unclaimed-dividends>

Members who have not claimed their dividend for last seven years are requested to write to the Company's Registrar and Share Transfer Agents and claim their dividends. The total amount of unclaimed dividend has been disclosed in the financial statements. Members are requested to note that the unclaimed dividends will be transferred to the IEPF after the below mentioned last date of claim which has been calculated by adding 37 days and 7 years in the date of declaration:

Dividend and Year	Dividend per Share (₹)	Date of Declaration	Last Date for Claim
Final Dividend 2015	47	29-04-2016	05-06-2023
Interim Dividend 2016	18	22-07-2016	28-08-2023
Final Dividend 2016	50	05-05-2017	11-06-2024
Interim Dividend 2017	18	19-07-2017	25-08-2024
Final Dividend 2017	53	08-05-2018	14-06-2025
Interim Dividend 2018	18	25-07-2018	31-08-2025
Final Dividend 2018	66	07-05-2019	13-06-2026
Final and One Time Special Dividend 2019	349	07-07-2020	13-08-2027
Final and One Time Special Dividend 2020	365	27-04-2021	03-06-2028
Final and One Time Special Dividend 2021	490	26-04-2022	02-06-2029
Interim Dividend 2022	193	26-07-2022	01-09-2029

**Dematerialization of shares and liquidity**

As on December 31, 2022, 99.59% of the paid-up share capital had been dematerialized.

**Convertible GDRs / ADRs / warrants or any other financial instruments, Conversion date and likely impact on equity**

There are no outstanding GDRs / ADRs / warrants or any convertible instruments as at December 31, 2022.

**Commodity price risk or foreign exchange risk and hedging activities**

The Company classifies this risk as market risk. This risk comprises three types of risks namely interest rate risk, currency risk and other price risk, such as commodity risk. The Company is not exposed to interest rate risk and commodity price risk.

Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates and arises where transactions are done in foreign currencies. It arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies including use of derivatives like foreign exchange forward contracts to hedge foreign currency risk.

The exposure to currency risk is explained in detail in the notes to the financial statements.

**Plant location**

GIDC, Plot No. L - 121, Phase III, Verna Industrial Estate, Verna, Goa - 403722

**Address for correspondence**

Shareholders correspondence should be addressed to the Company's Registrar and Share Transfer Agent or contact the Company Secretary and Compliance Officer at the addresses mentioned below.

Link Intime India Pvt. Ltd.,  
C-101, 247 Park, L. B. S. Marg,  
Vikhroli West, Mumbai 400083.  
Contact person: Ms. Sujata Poojary  
Telephone No.: 810 811 6767  
Fax No.: (022) 49186060  
Email: [rtt.helpdesk@linkintime.co.in](mailto:rtt.helpdesk@linkintime.co.in)

Radhika Shah  
Company Secretary and Compliance Officer  
Sanofi House,  
CTS No.117-B, L&T Business Park,  
Saki Vihar Road, Powai,  
Mumbai - 400072.  
Telephone No.: (022) 28032000;  
Fax No.: (022) 28032939  
E-mail: [igr@sanofi.com](mailto:igr@sanofi.com)

Shareholders holding shares in dematerialized form should address all their correspondence (including change of address, nominations, ECS mandates, bank details to be incorporated on dividend warrants, powers of attorney, etc.) to their Depository Participant.

**Other Disclosures and Affirmations:**

- As required by Regulation 17(8) of the Listing Regulations, the Managing Director and the Chief Financial Officer have submitted a Certificate to the Board in the prescribed format for the Financial Year ended December 31, 2022. The Certificate has been reviewed by the Audit Committee and taken on record by the Board.
- The Company has not obtained any credit rating for the Financial Year ended December 31, 2022.
- There were no instances of non-compliance nor have any penalties, strictures been imposed by Stock Exchanges or SEBI or any other statutory authority during the last three years on any matter related to the capital markets.
- The Company does not have any subsidiaries, associate companies or joint ventures. The Company has in place the Policy on Material Subsidiary and same is available on the website at <https://www.sanofiindia.com/en/investors/corporate-policies>
- The Company has not raised any funds through preferential allotment or QIP in the Financial Year ended December 31, 2022.
- The Company has obtained a certificate from M/s. MMJB & Associates LLP, Company Secretaries, as required under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 confirming that none of the Directors on Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority, which forms part of this Report.
- The Company has paid ₹ 4.74 million as total fees for all services provided by M/s. Price Waterhouse & Co., Chartered Accountants LLP and all entities in the network firm in the Financial Year ended December 31, 2022.
- During the year 2022, the Company did not receive any complaint of alleged sexual harassment. As on December 31, 2022 no complaints related to sexual harassment are pending for disposal.
- During the year, the Company has not provided any loans and advances in the nature of loans to firms / companies in which directors are interested.
- The Company has complied with the requirements as mentioned in Schedule V, Para C, sub-para (2) to (10) of the Listing Regulations.

- The Company has complied with all the requirements as specified in the Regulation 17 to 27 and clauses (b) to (l) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

**Non-Mandatory Requirements:**

**The Board:** The Chairman of the Board does not maintain a Chairman's office at the Company's expense.

**Shareholders' Rights:** The quarterly and half-yearly financial results are submitted to Stock Exchanges and published in the newspapers as mentioned above and are also uploaded under the "Investor" section on the Company's website at <https://www.sanofiindia.com/>. Therefore, the results were not separately circulated to all shareholders.

**Modified opinion(s) in audit report:** The Company has adopted a discretionary requirement of the Listing Regulations and confirm that the Financial Statements of the Company are unqualified.

**Separate posts of Chairperson and the Managing Director:** Mr. Aditya Narayan, Non-Executive Independent Director is the Chairman and Mr. Rodolfo Hrosz is the Managing Director of the Company.

**Reporting of Internal Auditor:** The Internal Auditor presents the Internal Audit and Remediation Status report on a quarterly basis to the Audit Committee and satisfactorily addresses the queries/clarifications sought by the Committee.

**Compliance with Code of Business Conduct and Ethics**

In accordance with Regulation 17(5)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Board Members and Senior Management Personnel of the Company have confirmed compliance with the Code of Business Conduct and Ethics for the financial year ended December 31, 2022.

For Sanofi India Limited

Rodolfo Hrosz  
Managing Director  
DIN: 09609832

February 23, 2023

## Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of Sanofi India limited

We have examined the compliance of conditions of Corporate Governance by Sanofi India Limited, for the year ended 31 December 31, 2022 as stipulated in Regulations [17, 17A, 18, 19, 20, 21, 22, 23, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V] of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us,

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

UDIN: 23112433BGMK14508  
Place: Mumbai  
Date: February 23, 2023

Arun Kumar Ramdas  
Partner  
Membership No: 112433

## Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members  
Sanofi India Limited

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to **Sanofi India Limited** having CIN **L24239MH1956PLC009794** and having registered office at **Sanofi House, CTS No. 117-B, L&T Business Park, Saki Vihar Road, Powai, Mumbai 400072** (hereinafter referred to as "the Company") for the purpose of Issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information, based on (i) Documents available on the website of the Ministry of Corporate Affairs (MCA) (ii) Verification of Directors Identification Number (DIN) status on the website of the MCA, and (iii) disclosures provided by the Directors to the Company, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, MCA or any other statutory authority as on December 31, 2022.

**Table A**

Sr. No.	Name of the Directors	Director Identification Number	Date of appointment in Company
1.	Mr. Aditya Narayan	00012084	April 30, 2016
2.	Mrs. Usha Thorat	00542778	April 30, 2016
3.	Mr. Rahul Bhatnagar	07268064	July 29, 2020
4.	Mr. Marc-Antoine Lucchini	08812302	July 29, 2020
5.	Ms. Annapurna Das	08634664	November 3, 2022
6.	Mr. Rodolfo Hresz	09609832	June 1, 2022
7.	Mr. Cherian Mathew	08522813	July 29, 2019
8.	Mr. Valbhav Karandilkar	09049375	February 23, 2021

*General Disclaimer: Our Analysis for this certificate does not covers the verification of criteria pertaining to appointment as Independent Director under Section 149 and criteria pertaining to appointment as Managing Director under section 196 and Schedule V of the Companies Act, 2013.*

Place: Mumbai  
Date: February 23, 2023

For MMJB & Associates LLP  
Company Secretaries

Saurabh Agrawal  
Designated Partner  
FCS No. F9290  
CP No. 20907  
PR: 904/2020  
UDIN: FO09290D0003191293

## Independent Auditor's Report

### To the Members of Sanofi India Limited

#### Report on the Audit of the Financial Statements

##### Opinion

1. We have audited the accompanying financial statements of Sanofi India Limited ("the Company"), which comprise the Balance Sheet as at December 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at December 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

#### Basis for Opinion

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

#### Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

##### Key audit matter

###### Tax litigations and contingencies.

(Refer Note 9(a), 9(b), 39(a), 39(b) and 43 to the financial statements)

As at December 31, 2022, several litigations under direct and indirect tax laws are pending for decision at various authority levels, in respect of which, the Company has disclosed contingent liabilities of ₹ 2,694 million.

The management's assessment with regard to the tax matters is supported by advice from independent consultants. We considered this as a key audit matter, as evaluation of these matters requires significant management judgement and estimation, interpretation of laws and regulations and application of relevant judicial precedents to determine the probability of outflow of economic resources for recognising provisions and making related disclosures in the financial statements. The application of accounting principles as given under Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, in order to determine the amount to be recognised as a provision, or to be disclosed as a contingent liability, needs careful evaluation and judgement to be applied by the management.

##### How our audit addressed the key audit matter

Our audit procedures included the following:

- Understanding and evaluation of the design and testing the operating effectiveness of controls in respect of assessment of tax, its accounting and disclosures in the financial statements;
- Obtaining a complete list of litigation matters and reading the underlying orders and other communications received from tax authorities and management's responses thereto, to assess the status of the litigations;
- Evaluating the independence, objectivity and competence of management's experts involved;
- Reading the management's experts advice, as applicable;
- Evaluating the management's assessment on the probability of outcome and the magnitude of potential outflow of economic resources in respect of tax matters including involvement of our tax experts for assessing complex tax matters, based on recent rulings and latest developments in case laws;
- Evaluating appropriateness of the Company's disclosures in the financial statements.

Based on the audit procedures performed, we did not identify any significant exceptions relating to the provisions recognised and disclosures made in the financial statements in respect of the tax matters.

#### Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Responsibilities of management and those charged with governance for the financial statements

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

7. In preparing the financial statements, management is 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
11. 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.

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

14. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on December 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Notes 23, 39, 43 and 45 to the financial statements;
- ii. The Company was not required to recognise a provision as at December 31, 2022, under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at December 31, 2022.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other persons or entities, including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 53 to the financial statements);
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities

- identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 53 to the financial statements); and
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

Atankumar Ramdas  
Partner  
Membership Number: 112433  
Date: February 23, 2023 UDIN: 23112433B67MKU4843





## Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Sanofi India Limited on the financial statements for the year ended December 31, 2022.

### Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Sanofi India Limited ("the Company") as of December 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial

statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls with reference to financial statements

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

### Inherent Limitations of Internal Financial Controls with reference to financial statements

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

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at December 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304028E/E-300009

Place: Mumbai  
Date: February 23, 2023

Arunkumar Ramdas  
Partner  
Membership Number: 112433  
UDIN: 23112433B5YMKU4843

## Annexure B to Independent Auditor's Report

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Sanofi India Limited on the financial statements as of and for the year ended December 31, 2022.

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phase programme designed to cover all the items over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 5(a) Property, Plant and Equipment and Note 18 on assets classified as held for sale to the financial statements, are held in the name of the Company.
- (d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and Intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or Intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion,

the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. (a) The Company has, during the year, not made investments in companies, firms, Limited Liability Partnerships. The Company has, during the year, not granted secured/unsecured loans/advances in nature of loans to companies, firms, Limited Liability Partnerships and other parties other than loans to 520 employees, including one of the directors. The Company, during the year, did not stand guarantee, or provided security to companies, firms, Limited Liability Partnerships and other parties. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans are as per the table given below:

	Loan Amount (₹ in million)
Aggregate amount granted during the year	36
- Employees	*
- Director	20
Balance outstanding as at the balance sheet date in respect of the above	
- Employees	
- Director	

(\* denotes figures less than a million)

(Also refer note 1.5 to the financial statements)

- (b) In respect of the loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
- (c) In respect of the loan to employees including loan to a director, the schedule of repayment of principal has been stipulated, and the employees including director are repaying the principal amounts, as stipulated given in the earlier year. As per the Company's policy these loans are interest-

- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(C) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(d) In respect of the loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) The loans granted during the year, including to a director had stipulated the scheduled repayment of principal and the same were not repayable on demand. As per the Company's policy, these loans are interest-free.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of the loans provided by it. The Company has not granted any loans to the parties covered under Sections 185 of the Companies Act, 2013. The Company has not made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Companies Act, 2013.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, employees' state insurance, duty of customs, cess, goods and service tax, service tax and value added tax which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (b) as at December 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in million)*	Period to which the amount relates	Forum where the dispute is pending
The Income-tax Act, 1961	Income-tax including tax deducted at source and interest as applicable	51 1,029	Assessment Year 2011-2012, 2008-2009, 2011-2012 to 2019-2020	Income Tax Appellate Tribunal Upto Commissioner's level
The Central Sales Tax Act, 1956 and Local Sales Tax Acts	Sales tax	2 10	1999-2000, 1998-1999, 2008-2009, 2012-2013, 2015-2016	Sales Tax, Upto Commissioner's level
The Central Excise Act, 1944	Disallowance of MODVAT	39	2007-2008 to 2011-2012	Appellate Tribunal
Medical and Toilet Directorate (under Central Excise Duty)	Excise Duty including penalty, as applicable	23	2005-2007, 2005-2016	Assistant Commissioner and Upto Commissioner's level
Preparation Levy of Excise Duty)	Directorate whether Central or State Excise Duty	23	January 1990 to August 1997	Central Board of Excise and Customs
Act, 1955		13	1996-1997 to 1998-1999	Commissioner of State Excise Duty, Maharashtra

\* Net of amount paid under protest.

vii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.

(c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short term basis.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud

by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(1)(2) of the Act, in Form ADI-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause. In respect of certain complaints, for which preliminary findings of the investigations have been provided to us by management, our consideration of the complaints having any bearing on our audit is limited to such preliminary findings.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xvii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 Related Party Disclosures specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance

refer Note 55 to the financial statements) ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company.

We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xa) of the Order is not applicable.

xxi. The reporting under clause 3(xa) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

Arunkumar Ruidas  
Partner  
Membership Number: 112433  
UDIN: 23112433B6YMKU4843  
Place: Mumbai  
Date: February 23, 2023

with the provisions of Section 192 of the Act under clause 3(vi) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xv)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial or housing finance activities during the year. Accordingly, the reporting under clause 3(xv)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xv)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xv)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xvii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also

## Balance Sheet

as at December 31, 2022

Particulars	Notes	As at	
		December 31, 2022	December 31, 2021
(₹ in Million)			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5 (a)	2,463	2,724
Capital work-in-progress	5 (b)	188	89
Right-of-use assets	5 (c)	589	604
Intangible assets	6 (a)	3	13
Intangible assets under development	6 (b)	48	39
Financial assets			
i. Loans	7	-	4,450
ii. Other financial assets	8	147	156
Income tax assets (net)	9 (a)	1,099	1,111
Other non-current assets	10	77	45
<b>Total non-current assets</b>		<b>4,614</b>	<b>9,231</b>
<b>Current assets</b>			
Inventories	11	4,080	3,924
Financial assets			
i. Trade receivables	12	1,291	1,429
ii. Cash and cash equivalents	13	10,049	15,380
iii. Bank balances other than (ii) above	14	120	123
iv. Loans	15	20	27
v. Other financial assets	16	70	18
Other current assets	17	463	439
<b>Total current assets</b>		<b>16,093</b>	<b>21,340</b>
Assets classified as held for sale	18	10	39
<b>Total current assets</b>		<b>16,103</b>	<b>21,379</b>
<b>TOTAL ASSETS</b>		<b>20,717</b>	<b>30,610</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	19 (a)	230	230
<b>Other equity</b>			
Reserves and surplus	19 (b)	12,528	22,026
<b>Total equity</b>		<b>12,758</b>	<b>22,256</b>

## Balance Sheet

as at December 31, 2022

Particulars	Notes	As at	
		December 31, 2022	December 31, 2021
(₹ in Million)			
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Lease liabilities	5 (c)	149	176
Employee benefit obligations	20	355	619
Deferred tax liabilities (net)	35 (d)	49	63
<b>Total non-current liabilities</b>		<b>553</b>	<b>858</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Lease liabilities	5 (c)	87	70
ii. Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	21	198	285
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	21	3,366	3,482
iii. Other financial liabilities			
Provisions	22	113	82
Employee benefit obligations	23	1,427	1,300
Current tax liabilities (net)	24	1,130	1,064
Other current liabilities	9 (b)	900	1,067
	25	176	137
		7,397	7,487
Liabilities directly associated with assets classified as held for sale	26	9	9
<b>Total current liabilities</b>		<b>7,406</b>	<b>7,486</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>20,717</b>	<b>30,610</b>

The above balance sheet should be read in conjunction with the accompanying notes. This is the balance sheet referred to in our report of even date

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration No.: 304028E/E-300009

Arunkumar Ramdas  
Partner  
Membership No: 112433  
Place: Mumbai  
Date: February 23, 2023

Rodolfo Hrosz  
Managing Director  
DIN: 00542778  
Place: Kolhapur  
Date: February 23, 2023

Yashraj Karandikar  
Whole Time Director & CFO  
DIN: 09049275  
Place: Mumbai  
Date: February 23, 2023

Radhika Shah  
Company Secretary  
Membership No: AI19308  
Place: Mumbai  
Date: February 23, 2023



## Statement of Profit and Loss

for the year ended December 31, 2022

Particulars	Notes	Year ended December 31, 2022	Year ended December 31, 2021
Revenue from operations	27	27,701	29,566
Other income	28	715	744
<b>Total income</b>		<b>28,416</b>	<b>30,310</b>
Expenses			
Cost of materials consumed	29	5,497	5,551
Purchases of stock-in-trade		6,510	7,086
Changes in inventories of work-in-progress, stock-in-trade and finished goods	30	(111)	431
Employee benefits expense	31	4,059	4,339
Finance costs	32	17	18
Depreciation and amortisation expense	33	419	667
Other expenses	34 (a)	4,702	4,534
<b>Total expenses</b>		<b>21,093</b>	<b>22,626</b>
<b>Profit before exceptional item and tax</b>		<b>7,323</b>	<b>7,684</b>
Exceptional items (Net)	48 and 49	1,320	4,892
<b>Profit before tax</b>		<b>8,643</b>	<b>12,576</b>
Tax expense			
- Current tax	35 (a)	2,452	3,360
- Deferred tax	35 (b)	(15)	(228)
<b>Total tax expense</b>		<b>2,437</b>	<b>3,132</b>
<b>Profit for the Year</b>		<b>6,206</b>	<b>9,444</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to the statement of profit and loss			
- Remeasurements of post-employment benefit obligations	42 (v)	6	(44)
- Income Tax impact relating to these items	35 (b)	(1)	11
<b>Other comprehensive income for the year, net of tax</b>		<b>5</b>	<b>(33)</b>
<b>Total comprehensive income for the year</b>		<b>6,211</b>	<b>9,411</b>
Earnings per Share - Basic and Diluted (Refer note 38) (per Equity Share of ₹10 each)		269.47	410.06

The above statement of profit and loss should be read in conjunction with the accompanying notes.

This is the statement of profit and loss referred to in our report of even date

For Price Waterhouse & Co Chartered Accountants LLP For and on behalf of the Board of Directors

Firm Registration No. : 304024E/3-300009

Arun Kumar Ramdas  
Partner  
Membership No. 112433  
Place: Mumbai  
Date: February 23, 2023

Rodolfo Hrosz  
Managing Director  
DIN: 09609832  
Place: Mumbai  
Date: February 23, 2023

Vaibhav Karandikar  
Whole Time Director & CFO  
DIN: 09049375  
Place: Mumbai  
Date: February 23, 2023

Usha Thorat  
Director  
DIN: 09542778  
Place: Kolhapur  
Date: February 23, 2023

Radhika Shah  
Company Secretary  
Membership No: A19308  
Place: Mumbai  
Date: February 23, 2023

## Statement of Cash Flows

for the year ended December 31, 2022

Particulars	Year ended December 31, 2022	Year ended December 31, 2021
Cash flow from operating activities	8,643	12,576
<b>Profit before tax</b>		
Adjustment for:		
Depreciation and amortization expenses	419	667
Unrealised exchange loss (net)	23	7
Loss of sale of property, plant and equipment (net) / (Gain) on sale of asset held for sale	2	(66)
Impairment on assets classified as held for sale	29	-
Gain from transfer of Nutraceuticals business (net of incidental expenses) (Refer note 49)	-	(4,892)
Gain on transfer of distribution business of Soframycin and Sofradex (net of incidental expenses) (Refer note 48 a)	(1,161)	-
Gain on sale of Property (net of incidental expenses) (Disclosed under Exceptional Items) (Refer note 48 b)	(320)	-
Finance costs	17	18
Interest income	(589)	(631)
Share based payment	21	61
Provision for bad and doubtful debts (net)	(15)	18
Operating profit before working capital changes	1	(2)
<b>Adjustments for (increase) / decrease in operating assets</b>	<b>7,050</b>	<b>7,756</b>
Non-current financial assets	10	1
Other non-current assets	-	1
Inventories	(314)	(336)
Trade receivables	206	12
Current financial assets	(43)	9
Other current assets	(24)	265
<b>Adjustments for increase / (decrease) in operating liabilities</b>		
Employee benefit obligations	(192)	98
Trade payables	(280)	671
Current financial liabilities	15	26
Other current liabilities & provisions	166	(66)
<b>Cash generated from operations</b>	<b>6,594</b>	<b>8,437</b>
Taxes paid (net of refunds)	(2,607)	(2,849)
<b>Net Cash inflow from operating activities (A)</b>	<b>3,987</b>	<b>5,588</b>
Cash flow from investing activities		
Sale proceeds of property, plant and equipment and assets held for sale	33	105
Sale proceeds of Ankieswar manufacturing unit (net of incidental expenses)	-	273
Sale proceeds of Nutraceuticals business (net of incidental expenses) (Refer note 49)	-	5,529
Sale proceeds of distribution business of Soframycin and Sofradex (net of incidental expenses) (Refer note 48 a)	1,359	-
Gain on sale of Property (net of incidental expenses) (Disclosed under Exceptional Items) (Refer note 48 b)	320	-
Interest received	589	631
Loan given	-	(50)
Payment of loan	4,450	50
Purchase of property, plant and equipment and intangible assets	(222)	(230)
<b>Net cash inflow from investing activities (B)</b>	<b>6,509</b>	<b>6,308</b>



## Statement of Cash Flows

for the year ended December 31, 2022

Particulars	₹ in Million	
	Year ended December 31, 2022	Year ended December 31, 2021
Cash flow from financing activities		
Principal elements of lease payments	(80)	(66)
Interest paid	(17)	(18)
Dividend paid	(15,730)	(6,406)
<b>Net cash outflow from financing activities (C)</b>	<b>(15,827)</b>	<b>(6,490)</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(8,331)</b>	<b>3,406</b>
Effect of Exchange differences on cash and cash equivalents held in foreign currency	*	*
Cash and Cash Equivalents at the beginning of the year	15,380	11,974
<b>Cash and Cash Equivalents at the end of the year</b>	<b>10,049</b>	<b>15,380</b>
Non-cash financing and investing activities (D)		
Acquisition of Right-of-use assets	78	94
<b>Components of Cash and Cash Equivalents</b>		
<b>Cash and Cash Equivalents (as per Note 13)</b>	<b>10,049</b>	<b>15,380</b>

\* denotes figure less than a million.

### Notes:

1. Previous year comparative figures have been regrouped wherever necessary.
2. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 Statement of Cash Flows.

The above statement of cash flows should be read in conjunction with the accompanying notes.

This is the statement of cash flows referred to in our report of even date

For: Price Waterhouse & Co Chartered Accountants LLP For and on behalf of the Board of Directors  
Firm Registration No.: 304026E/300009

Arunkumar Ramdas  
Partner  
Membership No.: 112433  
Place: Mumbai  
Date: February 23, 2023

Rodolfo Hrosz  
Managing Director  
DIN: 09609832  
Place: Mumbai  
Date: February 23, 2023

Usha Thorat  
Director  
DIN: 00542778  
Place: Kollhapur  
Date: February 23, 2023

Radhika Shah  
Company Secretary  
Membership No.: A19308  
Place: Mumbai  
Date: February 23, 2023

## Statement of changes in equity

for the year ended December 31, 2022

Particulars	₹ in Million	
	Amount	Amount
<b>As at January 1, 2021</b>		<b>230</b>
Changes in equity share capital		-
<b>As at December 31, 2021</b>		<b>230</b>
Changes in equity share capital		-
<b>As at December 31, 2022</b>		<b>230</b>

### B. Other equity (Refer note 19(e))

Particulars	Attributable to owners of the Company					Total
	Share options outstanding account	Securities premium	Residual earnings	General reserve		
<b>As at January 1, 2021</b>	<b>540</b>	<b>20</b>	<b>16,946</b>	<b>3,454</b>		<b>20,960</b>
Profit for the year	-	-	9,444	-	-	9,444
Other comprehensive income	-	-	(33)	-	-	(33)
<b>Total comprehensive income for the year</b>			<b>9,411</b>			<b>9,411</b>
Transactions with owners in their capacity as owners:						
Dividend paid	-	-	(8,406)	-	-	(8,406)
Employee stock options expense (Refer note 41)	61	-	-	-	-	61
<b>As at December 31, 2021</b>	<b>601</b>	<b>20</b>	<b>17,951</b>	<b>3,454</b>		<b>22,026</b>
Profit for the year	-	-	6,206	-	-	6,206
Other comprehensive income	-	-	5	-	-	5
<b>Total comprehensive income for the year</b>			<b>6,211</b>			<b>6,211</b>
Transactions with owners in their capacity as owners:						
Dividend paid	-	-	(11,730)	-	-	(11,730)
Employee stock options expense (Refer note 41)	21	-	-	-	-	21
<b>As at December 31, 2022</b>	<b>622</b>	<b>20</b>	<b>8,432</b>	<b>3,454</b>		<b>12,528</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is the statement of changes in equity referred to in our report of even date

For: Price Waterhouse & Co Chartered Accountants LLP For and on behalf of the Board of Directors  
Firm Registration No.: 304026E/300009

Arunkumar Ramdas  
Partner  
Membership No.: 112433  
Place: Mumbai  
Date: February 23, 2023

Rodolfo Hrosz  
Managing Director  
DIN: 09609832  
Place: Mumbai  
Date: February 23, 2023

Usha Thorat  
Director  
DIN: 00542778  
Place: Kollhapur  
Date: February 23, 2023

Radhika Shah  
Company Secretary  
Membership No.: A19308  
Place: Mumbai  
Date: February 23, 2023

Valbhav Karandikar  
Whole Time Director & CFO  
DIN: 09049375  
Place: Mumbai  
Date: February 23, 2023

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### 1. Corporate Information

Sanofi India Limited (‘the company’) is a public limited company listed on Bombay Stock Exchange and National Stock Exchange, incorporated and domiciled in India and has its registered office at Sanofi House, CTS No. 117-B, L&T Business Park, Saki Vihar Road, Powai, Mumbai – 400072, India. It is primarily engaged in the business of manufacturing and trading of drugs and pharmaceuticals. The Company has its own manufacturing facility at Goa. The Company has various independent contract / third party manufacturers based across the country. The Company sells its products through independent distributors primarily in India.

These financial statements were authorised for issue by the Board of Directors on February 23, 2023.

### 2. Summary of Significant Accounting Policies

#### 2.1. Basis of preparation

The financial statements are prepared on the accrual basis of accounting and in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as prescribed under Section 133 of the Companies Act, 2013 (the Act) (as amended) and other relevant provisions of the Act.

#### 2.2. Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities are measured at fair value;
  - assets held for sale – measured at fair value less cost to sell;
  - share based payments; and
  - defined benefit plans – plan assets measured at fair value
- The accounting policies adopted are consistent with those of the previous financial years and corresponding reporting year.

The financial statements are presented in ₹ million and all values are rounded to the nearest million (₹ 000,000), except when otherwise indicated.

#### 2.2 (a)

New and amended standards adopted by the Company  
The Company has applied the following standards and amendments for the first time for their annual reporting period commencing January 1, 2022:

- 1) On March 24, 2021, the Ministry of Corporate Affairs (‘MCA’) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III. Key amendments relating to Division II relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules. (Refer Note 53)
- 2) The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2021 (the ‘Rules’) on June 18, 2021. Key amendments are:

COVID-19 related concessions - amendments to Ind AS 116  
Interest Rate Benchmark Reform - amendments to Ind AS 109 and Ind AS 107

The amendments listed above did not have a material impact on the company.

#### 2.3 Summary of significant accounting policies

- i. Current and non-current classification  
The assets and liabilities reported in the balance sheet are classified on a ‘current / non-current basis’.  
An asset is treated as current when it is:
    - Expected to be realised or intended to be sold or consumed in normal operating cycle;
    - Held primarily for the purpose of trading;
    - Expected to be realised within twelve months after the reporting date, or
    - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

#### ii. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming the market participants act in their economic best interest.

The fair value measurement of a non-financial asset takes into account market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Where required/appropriate, external valuers are involved.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) prices in active market for identical assets or liabilities.
- Level 2 (if level 1 feed is not available/appropriate) — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 (if level 1 and 2 feed is not available/appropriate) — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximates fair value due to the short maturity of these instruments.

The Company recognizes transfers between levels of fair value hierarchy at the end of reporting period during which the change has occurred.

#### iii. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chief Operating decision-maker is responsible for allocating resources and assessing performance of the operating segments and makes strategic decisions. Refer Note 36 for segment information presented.

#### iv. Foreign currency translation

Functional and presentation currency  
Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (‘the functional currency’). The financial statements are presented in Indian ₹ (INR), which is Sanofi India Limited’s functional and presentation currency.

#### Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in the Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in foreign currency are not retranslated.

All non-monetary items denominated in foreign currency are carried at historical cost or other similar valuation and are reported using the exchange rate that existed when the values were determined.

### v. Revenue recognition

According to Ind AS 115, revenue is measured at the amount of consideration the Company expects to receive in exchange for the goods or services when control of the goods or services and the benefits obtainable from them are transferred to the customer. Revenue is recognized using the following five step model specified in Ind AS 115:

- Step 1: Identify contracts with customers
- Step 2: Identify performance obligations contained in the contracts
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations
- Step 5: Recognize revenue when the performance obligation is satisfied.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

### Sale of goods

The Company derives revenue principally from sales of pharma products. Revenue from sale of products is recognized when the Company

satisfies a performance obligation in accordance with the provisions of contract with customer. This is achieved when control of the product has been transferred to the customer, which is generally determined when title, ownership, risk of obsolescence and loss pass to the customer and the Company has present right to payment. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates, and goods and service tax.

Provision is made for the non-saleable return of goods from the customers estimated on the basis of historical data of sales return trends. Such provision for non-saleable sales returns is reduced from sale of products for the year.

### Sale of services

Revenue is recognized from rendering of services when the performance obligation is satisfied, and the services are rendered in accordance with the terms of customer contracts. Revenue is measured based on the transaction price, which is the consideration, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

### vi.

#### Export Incentives

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

### vii.

#### Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

#### Current income tax

The current income tax charge is calculated based on the Indian Tax Laws enacted or substantively enacted at the end of the reporting period. The provision for current tax is made at the rate of tax as applicable for the income of the previous year as defined under the Income Tax Act, 1961.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

Current tax assets and current tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a liability simultaneously.

### Deferred tax

Deferred tax is recognised using the liability method, on temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts for the financial reporting purpose at the reporting date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forward and unused tax credits could be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the assets is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### viii. Leases

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any lease incentives receivable
- Variable lease payments
- Amount expected to be payable by the lessee under residual value guarantee

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct cost and restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

### ix. Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets except inventories to ascertain whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets excluding goodwill with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount of the asset does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

### x. Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, Cash and Cash Equivalents includes balance with banks and demand deposits with banks with original maturities of three months or less and other short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

### xi. Inventories

Inventories consist of raw materials, packing materials, work-in-progress, stock-in-trade and finished goods. Inventories are valued at lower of cost and net realizable value (NRV). Cost is determined on weighted average basis. Cost of raw materials and packing materials includes cost of purchases and other costs incurred in bringing the inventories to their present location and condition.

Cost of work-in-progress and finished goods includes direct materials, labour and proportion of manufacturing overheads based on the normal operating capacity, wherever applicable. Cost of

finished goods includes other costs incurred in bringing the inventories to their present location and condition.

Cost of stock-in-trade includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost.

### xii. Financial instruments

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

### Financial assets:

#### Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

#### Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through Profit and Loss are expensed in the Statement of Profit and Loss.

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### Subsequent measurement

After initial recognition, financial assets are measured at:

- fair value (either through other comprehensive income or through Profit and Loss), or
- amortized cost.

### Debt instruments

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVTOCI') or fair value through Profit and Loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

There are three measurement categories into which the Company classifies its debt instruments.

### (a) Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in the Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

### (b) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other gains/ (losses). Interest income from these financial assets is

included in other income using the effective interest rate method.

- (c) *Fair value through profit or loss (FVTPL):* Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in the Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is recognised in the Statement of Profit and Loss.

### Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### Impairment of financial assets

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance.
- trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.



## Notes forming part of financial statements

as at and for the year ended December 31, 2022

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

### Derivation of financial assets

- A financial asset is recognized only when:
- the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows from the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

### Income recognition

**Interest income**  
Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

### Financial liabilities:

**Initial recognition and measurement**  
Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at FVTPL, transaction costs that are directly attributable to the issue/origination of the financial liability.

### Subsequent measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held- for-

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

### Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

### Derivative financial instruments

The Company uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to interest rate and foreign exchange risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The Company enters into derivative contracts to hedge risks which are not designated in any hedging relationship i.e. hedge accounting is not followed. Such contracts are accounted for at FVTPL.

### Offsetting financial instruments

Financial assets and liabilities are off-set and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

- xiii. Property, Plant and Equipment (PPE)  
Items of Property, plant and equipment acquired or constructed are initially recognized at historical cost net of recoverable taxes, duties, trade discounts and rebates, less accumulated

## Notes forming part of financial statements

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depreciation, and impairment loss, if any. The historical cost of Property, plant and equipment comprises of its purchase price, borrowing costs and adjustment arising for exchange rate variations attributable to the assets, including any cost directly attributable to bringing the assets to their working condition for their intended use.

**Capital Work-in-Progress** represents Property, plant and equipment that are not ready for their intended use as at the reporting date.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The Company identifies and determines cost of each component/part of the plant and equipment separately, if the component/part has a cost which is significant to the total cost of the plant and equipment and has useful lives that is materially different from that of the remaining plant and equipment.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the year in which they are incurred.

Gains and losses arising from derecognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized.

**Depreciation methods, estimated useful lives and residual values**

Depreciation is provided, pro-rata for the period in use, on the straight-line method based on the respective estimate of useful lives given below. Estimated useful lives of assets are determined based on technical parameters/assessments.

The management believes that useful lives currently used, which is prescribed under Part C of Schedule II to the Companies Act, 2013, fairly reflects its estimate of the useful lives and residual values of PPE, though these lives in certain cases are different from lives prescribed under Schedule II.

Asset Category	Useful Lives (in Years)
Buildings - Factory	30
Buildings - Non-Factory*	30
Plant and Machinery*	10
Furniture and Fixtures	10
Office equipment	10-5
Computers	3
Laptops	3
Motor vehicles	8
Leasehold improvements	Amortised over the lease period

\*In respect of these assets, management estimates different useful life than prescribed under part C of Schedule II based on internal assessment and independent technical evaluation.

Estimated useful lives, residual values and depreciation methods are reviewed annually, considering into account of commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

Advances paid towards the acquisition of PPE outstanding at each Balance Sheet date is classified as capital advances under 'Other non-current assets' and cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

### xiv. Intangible assets

Intangible assets are stated at cost of acquisition less accumulated amortization / impairment losses.

### Acquired intangible assets

Separately acquired intangible assets are shown at historical cost. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses, if any.

The Company amortizes intangible assets with a finite useful life using the straight-line method over the estimated useful lives. The estimated useful lives of assets are as follows:

Asset Category	Useful Lives (in Years)
Brand	10
Software	3
Technical know-how	5



## Notes forming part of financial statements

as at and for the year ended December 31, 2022

In respect of the above assets, management's estimate is based on internal assessment and independent technical evaluations.

The amortisation period and the amortisation method for intangible assets are reviewed at the end of each reporting period. The amortisation expense on intangible assets is recognised in the Statement of Profit and Loss.

Losses arising from retirement and gains or losses arising from disposal of intangible assets are determined by comparing sale proceeds with carrying amount and are disclosed in the Statement of Profit and Loss.

Research and development expenditure  
Research expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised.

Development expenditure on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale,
- Its intention to complete and its ability and intention to use or sell the asset.
- How the asset will generate future economic benefits.
- The availability of resources to complete the asset.
- The ability to measure reliably the expenditure during development.

The amount capitalised comprise of expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized on a straight-line basis over the period of expected future benefit from the related project, i.e., the

estimated useful life. Amortization is recognized in the Statement of Profit and Loss. During the period of development, the asset is tested for impairment annually.

### xv. Provisions and contingent liabilities

#### Provisions

Provisions are recognized when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

#### Contingencies

Contingent liabilities are disclosed in the Notes to the financial statements. Contingent liabilities are disclosed for

- when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or
- a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made.

### xvi. Employee benefits

#### I. Short term benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, bonus, short term compensated absences and the expected cost of ex-gratia is recognized in the period in which the employee renders the related service.

#### II.

##### Other long-term employee benefits

The Company has for all employees other long-term benefits in the form of Long Service Award and Compensated Absences

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

as per the policy of the Company. Liabilities for such benefits are provided on the basis of actuarial valuation, as at the reporting date, carried out by an independent actuary. The actuarial valuation method used by an independent actuary for measuring the liability is the Projected Unit Credit method.

III. Post-employment benefit obligations  
The company operates the following post-employment schemes:

- a) defined contribution plans such as superannuation fund and provident fund for Nepal and
- b) defined benefit plans such as gratuity, pension plan and provident fund (other than Nepal)

#### Defined contribution plans

The Company has defined contribution plans for post-employment benefits in the form of Superannuation Fund which is recognised by the Income-tax authorities and administered through trustees and/or Life Insurance Corporation of India (LIC). Further, the Company also has a defined contribution plan in the form of a provident fund scheme for its staff and workmen at Nepal and Pension Scheme 1995 for its all employees, which are administered by the Provident Fund Commissioner.

All the above-mentioned schemes are classified as defined contribution plans as the Company has no further obligation beyond making the contributions. The Company's contributions to defined contribution plans are charged to the Statement of Profit and Loss, when an employee renders the related service.

#### Defined benefit plans

The company has defined benefit plans for post-employment benefits in the form of Provident Fund (treated as a defined benefit plan on account of guaranteed interest benefit), Gratuity and Pension Plan (treated as a defined benefit plan on account of guaranteed pension).

The Company has for all employees other than Nepal, defined benefit plans for post-employment benefits in the form of Provident

Fund which is administered through trustees (treated as a defined benefit plan on account of guaranteed interest benefit). Further, the Company has defined benefit plan for post-retirement benefit in the form of Gratuity which is administered through LIC for all its employees and pension plan for certain employees.

Provident Fund and Gratuity fund are recognised by the Income-tax authorities and administered through trustees and/or LIC. Liability for Defined Benefit Plans is provided on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary.

The defined benefit obligation is calculated annually by independent actuaries using the Projected Unit Credit Method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bond that have terms to maturity approximating to the terms of related gratuity, pension plan and provident fund liabilities.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet.

### xvii. Share based payments

Sanofi S.A. France, being the Ultimate Holding Company has given restricted stock option plan to certain employees of the Company.

Pursuant to Ind AS 102 'Share-based Payment', the Company recognizes an expense based on the fair value of the stock options as at grant date. The expenses are amortised over the vesting period which is conditional on the provision of services by the plan participant during the vesting period. The corresponding credit is given to equity because the award represents in substance equity contribution by the Parent Company. The cumulative expense recognised for stock options at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### xviii. Exceptional Items

When items of income or expense are of such nature, size and incidence that their disclosure is necessary to explain the performance of the Company for the year, the company makes a disclosure of the nature and amount of such items separately under the head "exceptional items."

### xix. Contributed equity

**Equity shares are classified as equity.**  
Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### xx.

Dividends distribution to equity holders  
Provision is made for amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

### xxi. Earnings per Share

Basic earnings per share is calculated by dividing the net profit after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. **₹.**

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

### xxii. Cash flow statement

Cash flows are reported using the Indirect Method, as set out in Ind AS 7 'Statement of Cash Flow', whereby profit for the year is adjusted for the effects of transaction of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### xxiii. Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell. Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

### 3. Recent Accounting Pronouncements

The Ministry of Corporate Affairs ("MCA") has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are applicable to Sanofi India Limited from January 1, 2023. Below is a summary of such amendments:

- Ind AS 37, Provisions, Contingent liabilities and contingent assets Otherous contracts – Cost of fulfilling a contract
- Ind AS 103 Business Combination - Reference to conceptual Framework
- Ind AS 109 Financial Instruments – Fees included in test for derecognition of financial assets
- Ind AS 101 First time adoption - Subsidiary as a first time adopter
- Ind AS 41, Agriculture – Tax on fair value measurements
- Ind AS 16, Property, Plant and Equipment – Proceeds before intended use of property, plant and equipment

These amendments listed above is not expected to have any material impact on the Company.

### 4. Significant Judgements and Estimates

The preparation of the Company's financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amount of assets, liabilities, revenue, expenses, and the accompanying disclosures and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when financial statements were prepared. These estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

### Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation at the reporting date, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances

and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The areas involving critical estimates and judgements are:

- Useful lives of Property, plant and equipment and intangibles [Refer Note 2.3 (kii) and (xiv)]
- Measurement of defined benefit obligations (Refer Note 42)
- Provision for inventories (Refer Note 11)
- Measurement and likelihood of occurrence of provisions and contingencies (Refer Notes 23, 39, 43 and 45)
- Impairment of trade receivables (Refer Note 12)

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

## 5. (a) Property, plant and equipment

Particulars	Buildings		Leasehold Improvements		Plant and Equipments		Furniture and Fixtures		Office Computers and Equipments		Motor Vehicles		Total
	Year ended December 2021	Year ended December 2020	Year ended December 2021	Year ended December 2020	Year ended December 2021	Year ended December 2020	Year ended December 2021	Year ended December 2020	Year ended December 2021	Year ended December 2020	Year ended December 2021	Year ended December 2020	
<b>Gross Carrying Amount</b>													
As at December 31, 2020	2,284	27	1,579	289	72	364	18	4,633					
Additions	19	1	78	2	6	16	-	122					
Disposals	(2)	-	(46)	(6)	(9)	(21)	(2)	(68)					
Closing Gross Carrying Amount	2,301	28	1,611	283	69	359	16	4,667					
<b>Accumulated Depreciation</b>													
As at December 31, 2020	428	15	716	160	47	285	9	1,640					
Depreciation charge during the year	90	3	167	33	6	49	3	351					
Disposals	(2)	-	(32)	(6)	(8)	(18)	(2)	(68)					
Closing Accumulated Depreciation	516	18	851	187	45	316	10	1,943					
<b>Net Carrying Amount as at December 31, 2021</b>	1,785	10	760	96	24	43	6	1,724					
Year ended December 31, 2022													
<b>Gross Carrying Amount</b>													
As at December 31, 2021	2,301	28	1,611	283	69	359	16	4,667					
Additions	3	1	74	2	9	9	-	98					
Disposals	(112)	(6)	(46)	(11)	(3)	(59)	-	(237)					
Closing Gross Carrying Amount	2,192	23	1,639	274	75	309	16	4,528					
<b>Accumulated Depreciation</b>													
As at December 31, 2021	516	18	851	187	45	316	10	1,943					
Depreciation charge during the year	90	3	157	32	6	34	2	324					
Disposals	(90)	(6)	(36)	(8)	(2)	(60)	-	(202)					
Closing Accumulated Depreciation	516	15	972	211	49	290	12	2,065					
<b>Net Carrying Amount as at December 31, 2022</b>	1,676	8	667	63	26	19	4	2,463					

## 5. (b) Capital work-in-progress

Capital work-in-progress of ₹ 188 million (December 31, 2021: ₹ 89 million) mainly comprises of plant and equipment and building being constructed in India.

## (a) Ageing of Capital work-in-progress:

Particulars	Amount for Capital work-in-progress			Total
	Less than 1 year	1-2 years	More than 3 years	
(i) Projects in progress	160	28	-	188
(ii) Projects temporarily suspended	-	-	-	-
<b>Total</b>	160	28	-	188

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

## (b) Completion schedule for Capital work-in-progress whose completion has exceeded compared to its original plan:

Capital work-in-progress	To be Completed In			Total
	Less than 1 year	1-2 years	More than 3 years	
(i) Projects in progress	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-
<b>Total</b>	-	-	-	-

## (c) Ageing of Capital work-in-progress #

Capital work-in-progress	Amount for Capital work-in-progress			Total
	Less than 1 year	1-2 years	More than 3 years	
(i) Projects in progress	55	34	-	89
(ii) Projects temporarily suspended	-	-	-	-
<b>Total</b>	55	34	-	89

## (d) Completion schedule for Capital work-in-progress whose completion has exceeded compared to its original plan:

Capital work-in-progress	To be Completed In			Total
	Less than 1 year	1-2 years	More than 3 years	
(i) Projects in progress	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-
<b>Total</b>	-	-	-	-

## 5. (c) Leases

## i) Amounts recognised in balance sheet

The balance sheet shows the following amounts relating to leases of warehouse premises, factory land and office land.

## a) Right-of-use assets

The changes in the carrying value of Right-of-use assets for the year ended are as follows:

Particulars	December 31, 2022	December 31, 2021
Office premises	210	225
Land	379	379
<b>Total</b>	589	604

## Amounts recognised in balance sheet

## Right-of-use assets:

Particulars	December 31, 2022	December 31, 2021
Opening balance	604	593
Add: Additions during the year	78	94
Less: Termination of leases during the year	(8)	(8)
Less: Depreciation during the year	(85)	(75)
<b>Closing balance</b>	589	604

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### b) Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	December 31, 2022	December 31, 2021
Opening balance	246	226
Add: Additions during the year	78	94
Add: Interest for the year	17	18
Less: Lease payments made during the year	(97)	(84)
Less: Termination of leases during the year	(8)	(8)
<b>Closing balance</b>	<b>236</b>	<b>246</b>

Below represents net debt reconciliation as per requirements of Ind-AS 7 - Statement of Cash Flows:

Particulars	Cash and Cash Equivalents	Lease Liabilities	(Net debt)
Cash balance / (Net Debt) as at December 31, 2020	11,974	(226)	11,748
Cash flows	3,406	-	3,406
Movement in lease liabilities (Refer table above)	-	(20)	(20)
<b>Cash balance / (Net Debt) as at December 31, 2021</b>	<b>15,380</b>	<b>(246)</b>	<b>15,134</b>
Cash flows	(5,331)	-	(5,331)
Movement in lease liabilities (Refer table above)	-	10	10
<b>Cash balance / (Net Debt) as at December 31, 2022</b>	<b>10,049</b>	<b>(236)</b>	<b>9,813</b>

The following is the break-up of current and non-current lease liabilities for the year ended:

Particulars	December 31, 2022	December 31, 2021
Current lease liabilities	87	70
Non-current lease liabilities	149	176
<b>Total</b>	<b>236</b>	<b>246</b>

### ii) Amounts recognised in the statement of Profit & Loss

Particulars	December 31, 2022	December 31, 2021
Depreciation charge on right-of-use assets (Refer Note 33)	85	75
Interest expense (Refer Note 32)	17	18
Expenses relating to short term and low value leases (Refer Note 34 (a))	17	36
(Gain) on termination of leases	(*)	(*)
	119	129

\* denotes figure less than a million

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### 6. (a) Intangible assets

Particulars	Brand Refer note 49	Software	Technical know-how	Total	Goodwill Refer note 49
<b>Year ended December, 2021</b>					
Gross Carrying Amount					
As at December 31, 2020	2,375	90	95	2,560	731
Additions	-	7	3	10	-
Disposals	(2,375)	-	(3)	(2,378)	(731)
Closing Gross Carrying Amount	-	97	95	192	-
Accumulated amortisation					
As at December 31, 2020	2,054	75	87	2,216	-
Amortisation charge during the year	223	14	4	241	-
Disposals	(2,277)	-	(1)	(2,278)	-
Closing Accumulated Depreciation	-	89	90	179	-
<b>Net Carrying Amount as at December 31, 2021</b>	<b>-</b>	<b>8</b>	<b>5</b>	<b>13</b>	<b>-</b>
<b>Year ended December 31, 2022</b>					
Gross Carrying Amount					
As at December 31, 2021	-	97	95	192	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Closing Gross Carrying Amount	-	97	95	192	-
Accumulated amortisation					
As at December 31, 2021	-	89	90	179	-
Amortisation charge during the year	-	8	2	10	-
Disposals	-	-	-	-	-
Closing Accumulated Depreciation	-	97	92	189	-
<b>Net Carrying Amount as at December 31, 2022</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>-</b>

### 6. (b) Intangible assets under development

Intangible assets under development of ₹ 48 million (December 31, 2021: ₹ 39 million) mainly comprises of product development.

#### (a) Ageing of Intangible Assets Under Development:

As on December 31, 2022

Intangible Assets Under Development	Amounts in Intangible Assets under Development for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	9	10	13	16	48
(ii) Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>9</b>	<b>10</b>	<b>13</b>	<b>16</b>	<b>48</b>

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

- (b) Completion schedule for intangible assets under development whose completion has exceeded compared to its original plan:

Intangible Assets Under Development	To be Completed In			Total
	Less than 1 year	1-2 years	More than 3 years	
(i) Projects in progress	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-
<b>Total</b>	-	-	-	-

- (c) Ageing of Intangible Assets Under Development:

As on December 31, 2021

Intangible Assets Under Development	Amounts in Intangible Assets under Development for			Total
	Less than 1 year	2-3 years	More than 3 years	
(i) Projects in progress	10	13	-	39
(ii) Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>10</b>	<b>13</b>	<b>16</b>	<b>39</b>

- (d) Completion schedule for intangible assets under development whose completion has exceeded compared to its original plan:

Intangible Assets Under Development	To be Completed In			Total
	Less than 1 year	1-2 years	More than 3 years	
(i) Projects in progress	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-
<b>Total</b>	-	-	-	-

### 7. Non current financial assets-Loans

Particulars	December 31, 2022	December 31, 2021
<b>Unsecured, considered good</b>		
Loan to Fellow Subsidiary (given against corporate guarantee by Sanofi S.A France (ultimate holding company)) (Refer note 40)	-	4,450
<b>Unsecured, considered doubtful</b>		
Loans to employees	2	-
Less: Loss allowance	(2)	-
<b>Total</b>	<b>4,450</b>	<b>-</b>

### 8. Non current financial assets-Other financial assets

Particulars	December 31, 2022	December 31, 2021
<b>Unsecured, considered good</b>		
Margin money deposits (Refer note 14)	23	3
Other receivables	44	43
Other deposits	15	13
Security deposits	65	97
<b>Unsecured, considered doubtful</b>		
Security deposits	21	20
Less: Loss allowance	(21)	(20)
<b>Total</b>	<b>147</b>	<b>156</b>

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### 9. (a) Income tax assets (net)

Particulars	December 31, 2022	December 31, 2021
Advance income tax (net of provision of ₹ 7,534 million) (December 31, 2021: ₹ 9,531 million)	1,099	1,111
<b>Total</b>	<b>1,099</b>	<b>1,111</b>

### 9. (b) Current tax liabilities (net)

Particulars	December 31, 2022	December 31, 2021
Income tax provision (net of advance tax ₹ 20,028 million, December 31, 2021: ₹ 15,412 million)	900	1,067
<b>Total</b>	<b>900</b>	<b>1,067</b>

### 10. Other non-current assets

Particulars	December 31, 2022	December 31, 2021
Capital advances	41	9
Prepaid rentals	36	36
<b>Total</b>	<b>77</b>	<b>45</b>

### 11. Inventories

Particulars	December 31, 2022	December 31, 2021
Raw materials and packing materials	2,151	2,106
(including in transit ₹ 230 million, December 31, 2021: ₹ 126 million)		
Work-in-progress	57	11
Finished goods	600	549
Stock-in-trade	1,272	1,258
(including in transit ₹ 131 million, December 31, 2021: ₹ 207 million)		
<b>Total</b>	<b>4,080</b>	<b>3,924</b>

The Company has created provision amounting to ₹ 66 million (December 31, 2021: ₹ 71 million) which is mainly on account of inventory which is expired, near expiry, damaged etc.

### 12. Trade receivables

Particulars	December 31, 2022	December 31, 2021
Trade receivables from contract with Customers	472	564
Trade receivables from contract with Customers - related parties (Refer note 40)	672	933
Less: Loss allowance	(63)	(68)
<b>Total</b>	<b>1,281</b>	<b>1,429</b>

### Breakup up of security details

Particulars	December 31, 2022	December 31, 2021
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	1,344	1,497
Trade receivables considered good Which have significant increase in credit risk	-	-
Trade receivables - Credit impaired	-	-
<b>Total</b>	<b>1,344</b>	<b>1,497</b>
Less: Loss allowance	(63)	(68)
<b>Total</b>	<b>1,281</b>	<b>1,429</b>



## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### Ageing schedule for Trade receivables

As at December 31, 2022

Particulars	Unbilled	Net Due	Outstanding for the following periods from due date				Total
			Less than 6 months	6 months-1 year	1-2 years	More than 3 years	
<b>Undisputed Trade Receivables</b>							
Considered good	-	1,240	46	6	10	12	30
Which have significant increase in credit risk	-	-	-	-	-	-	-
Less: Loss allowance	-	-	(1)	-	(10)	(12)	(14)
<b>Disputed Trade Receivables</b>							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
<b>Total</b>	-	1,240	45	6	-	-	1,291

As at December 31, 2021

Particulars	Unbilled	Net Due	Outstanding for following periods from due date				Total
			Less than 6 months	6 months-1 year	1-2 years	More than 3 years	
<b>Undisputed Trade Receivables</b>							
Considered good	-	1,317	79	24	31	23	23
Which have significant increase in credit risk	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	(22)	(23)	(23)
<b>Disputed Trade Receivables</b>							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
<b>Total</b>	-	1,317	79	24	9	-	1,429

- Refer note 51(a) for credit risk on trade receivables.
- There are no outstanding receivables due from directors or other officers of the Company as at year end.
- No element of financing is deemed present and sales are generally made with a credit period as specified by the Company's policy which is consistent with the market practice. The Company does not have any contracts where the period between transfer of the promised goods and services to the customer and the payment by the customer exceeds 1 year. As a consequence, the Company does not adjust any transaction prices for the time value of money.

### 13. Cash and cash equivalents

Particulars	December 31, 2022	December 31, 2021
Balances with banks		
- in current accounts	326	350
- in EFCC accounts	52	9
Deposits with banks with original maturity of less than 3 months	9,671	15,021
<b>Total</b>	10,049	15,380

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the current and previous year.

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### 14. Other bank balances

Particulars	December 31, 2022	December 31, 2021
Margin money deposits (Refer note below)	42	67
Unpaid dividend amounts	78	56
<b>Total</b>	120	123

### Margin money deposits given as security

Margin money deposits with carrying amount of ₹ 65 million (December 31, 2021: ₹ 70 million) are subject to first charge to secure bank guarantees issued by banks on behalf of the Company.

### 15. Current loans

Particulars	December 31, 2022	December 31, 2021
Unsecured, considered good		
Loans to employees	20	27
<b>Total</b>	20	27

Loan to employees includes amount due from directors / KMP amounting to ₹ \* (pX \*\*\*) (Refer note 40)

\* denotes figure less than a million

### 16. Other current financial assets

Particulars	December 31, 2022	December 31, 2021
Security deposits	10	1
Other receivables	60	17
<b>Total</b>	70	18

### 17. Other current assets

Particulars	December 31, 2022	December 31, 2021
Advance payments to suppliers	55	39
Export benefits receivable	1	64
Balance with government authorities	308	250
Prepaid expenses	81	51
Other Advances	1	1
Others	17	34
<b>Total</b>	463	439

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### 18. Assets classified as held for sale

Particulars	December 31, 2022	December 31, 2021
Pertaining to Mumbai - Mulund #		
Buildings	3	3
Freehold land	7	36
Plant and equipment	*	*
<b>Net Carrying Value (a)</b>	<b>10</b>	<b>39</b>
Pertaining to Mumbai - Pedder Road		
Building	*	*
Furniture and Fixtures	*	*
Office Equipment	*	*
Plant and Equipment	*	*
<b>Net Carrying Value (b)</b>	<b>*</b>	<b>*</b>
<b>Total asset held for sale (a) + (b)</b>	<b>10</b>	<b>39</b>

# Movement on account of impairment

\* denotes figure less than a million

### 19. Share capital and other equity

#### 19 (a) Equity share capital

(i) Authorised share capital

Particulars	Number of shares	Amount
<b>As at January 1, 2021</b>	<b>23,500,000</b>	<b>235</b>
Increase during the year	-	-
<b>As at December 31, 2021</b>	<b>23,500,000</b>	<b>235</b>
Increase during the year	-	-
<b>As at December 31, 2022</b>	<b>23,500,000</b>	<b>235</b>

#### Issued, Subscribed and Paid up:

(ii) Movements in equity share capital

Particulars	Number of shares	Amount
<b>As at January 1, 2021</b>	<b>23,030,622</b>	<b>230</b>
Issued during the year	-	-
<b>As at December 31, 2021</b>	<b>23,030,622</b>	<b>230</b>
Issued during the year	-	-
<b>As at December 31, 2022</b>	<b>23,030,622</b>	<b>230</b>

(iii) Terms and rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in

proportion to the number of equity shares held by the shareholder.

(iv) Shares held by holding and ultimate holding Company

13,904,722 (December 31, 2021: 13,904,722) equity shares of ₹ 10 each fully paid are held by Hoechst GmbH, Germany, holding Company and 4,865 (December 31, 2021: 4,865) equity shares of ₹ 10 each fully paid are held by Sanofi S.A., France ultimate holding Company.

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

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

Particulars	December 31, 2022	December 31, 2021
Equity shares of ₹ 10 each fully paid		
Hoechst GmbH, Germany	13,904,722	13,904,722
- No. of shares	60.37%	60.37%
- % of holding	1,369,833	1,368,608
Life Insurance Corporation of India	5.95%	5.94%
- No. of shares		
- % of holding		

(vi) Details of Promoters shareholding

Name of Promoters	No. of Shares as on December 31, 2022	Percentage of Total Shares on December 31, 2022	Percentage Change during the year
Hoechst GmbH, Germany	13,904,722	60.37%	0.0%
Sanofi S.A.	4,865	0.02%	0.0%

### 19 (b) Other equity - Reserves and surplus

Particulars	December 31, 2022	December 31, 2021
Securities premium	20	20
Retained earnings	8,432	17,951
General reserve	3,454	3,454
Share options outstanding account	622	601
<b>Total</b>	<b>12,528</b>	<b>24,026</b>

(i) Securities premium

Particulars	December 31, 2022	December 31, 2021
<b>Opening balance</b>	<b>20</b>	<b>20</b>
Movement during the year	-	-
<b>Closing balance</b>	<b>20</b>	<b>20</b>

(ii) Retained earnings

Particulars	December 31, 2022	December 31, 2021
<b>Opening balance</b>	<b>17,951</b>	<b>16,946</b>
Profit for the year	6,206	9,444
Items of Other Comprehensive Income recognised directly into retained earnings	5	(33)
- Remeasurement of Post-employees benefit obligation, net of tax	[15,730]	(8,406)
Dividend paid (Refer note 52 (b))	8,432	17,951
<b>Closing balance</b>	<b>8,432</b>	<b>17,951</b>

(iii) General reserve

Particulars	December 31, 2022	December 31, 2021
<b>Opening balance</b>	<b>3,454</b>	<b>3,454</b>
Movement during the year	-	-
<b>Closing balance</b>	<b>3,454</b>	<b>3,454</b>

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

(iv) Share options outstanding account

Particulars	December 31, 2022		December 31, 2021	
	Unbilled	Total	Unbilled	Total
Opening balance	601	601	540	540
Employee stock option expense (Refer note 41)	21	21	61	61
Closing balance	622	622	601	601

Nature and purposes of reserves:

- 1) **Securities premium**  
Securities premium is created when shares are issued at premium. This is utilised in accordance with the provisions of the Companies Act, 2013.
- 2) **General reserve**  
General reserve is created out of profits of the Company. The reserve is utilised in accordance with the provisions of Companies Act, 2013.
- 3) **Share options outstanding account**  
The share options outstanding account is used to recognise the fair value of restricted stock units as at grant date issued by the Ultimate holding Company, Sanofi S.A. to the Company's eligible employees.

### 20. Non-current employee benefit obligations

Particulars	December 31, 2022		December 31, 2021	
	Unbilled	Total	Unbilled	Total
Pension (Refer note 42)	320	343	343	343
Compensated absences (Refer note 42)	1.8	1.8	20	20
Long service awards (Refer note 42)	1.7	2.56	1.7	2.56
Gratuity (Refer note 42)	355	619	619	619
<b>Total</b>				

\* denotes figure less than a million

### 21. Trade payables

Particulars	December 31, 2022		December 31, 2021	
	Unbilled	Total	Unbilled	Total
Trade Payables: micro and small enterprises (Refer note 46)	198	285	285	285
Trade Payables: Other than micro and small enterprises	1,569	1,662	1,662	1,662
- Related parties (Refer note 40)	1,797	1,820	1,820	1,820
- Others	3,564	3,767	3,767	3,767
<b>Total</b>				

### Ageing Schedule for Trade Payable

December 31, 2022	Outstanding for following periods from due date of payment				Total
	Unbilled	Less than 1 year	1-2 years	More than 2-3 years	
<b>Undisputed trade payables</b>					
Micro enterprises and small enterprises	181	-	-	17	198
Others	597	435	6	3,564	3,564
<b>Disputed trade payables</b>					
Micro enterprises and small enterprises	-	-	-	-	-
Others	597	435	6	17	3,564
<b>Total</b>					

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

December 31, 2021	Outstanding for following periods from due date of payment				Total
	Unbilled	Less than 1 year	1-2 years	More than 2-3 years	
<b>Undisputed trade payables</b>					
Micro enterprises and small enterprises	268	-	-	17	285
Others	595	754	24	1	3,482
<b>Disputed trade payables</b>					
Micro enterprises and small enterprises	-	-	-	-	-
Others	595	754	24	1	3,767
<b>Total</b>					

### 22. Other current financial liabilities

Particulars	December 31, 2022		December 31, 2021	
	Unbilled	Total	Unbilled	Total
Other payables to related party (Refer note 40)	7	14	14	14
Unclaimed dividend #	78	56	56	56
Liability for capital goods	28	12	12	12
<b>Total</b>				

# There are no amounts due for payment to the Investor Education and Protection Fund (IEPF) under Section 125 of the Companies Act, 2013 as at the year end.

### 23. Current provisions

Particulars	December 31, 2022		December 31, 2021	
	Unbilled	Total	Unbilled	Total
Provision for sales return (Refer note 43)	728	552	552	552
Provision for indirect tax (Refer note 43)	330	341	341	341
Others (Refer note 43)	369	407	407	407
<b>Total</b>				

### 24. Current employee benefit obligations

Particulars	December 31, 2022		December 31, 2021	
	Unbilled	Total	Unbilled	Total
Employee related liabilities #	994	908	908	908
Pension (Refer note 42)	-	-	-	-
Compensated absences (Refer note 42)	44	50	50	50
Long service awards (Refer note 42)	3	3	3	3
Gratuity (Refer note 42)	99	103	103	103
<b>Total</b>				

\* denotes figure less than a million  
# includes salaries, wages and bonus payable to employees

### 25. Other current liabilities

Particulars	December 31, 2022		December 31, 2021	
	Unbilled	Total	Unbilled	Total
Contract liabilities	47	43	43	43
Statutory liabilities	129	94	94	94
<b>Total</b>				

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### Revenue recognised in relation to Contract liabilities

Particulars	December 31, 2022	December 31, 2021
Revenue recognised that was included in the contract liability at the beginning of the period	43	72
<b>Total</b>	<b>43</b>	<b>72</b>

### 26. Liabilities directly associated with assets classified as held for sale

Particulars	December 31, 2022	December 31, 2021
Other payables (Refer note 13)	9	9
<b>Total</b>	<b>9</b>	<b>9</b>

### 27. Revenue from operations

Particulars	December 31, 2022	December 31, 2021
Revenue from contract with customers:		
Sale of products	25,774	27,772
Sale of services	1,498	1,461
	<b>27,272</b>	<b>29,233</b>
Other operating income:		
Scrap sale	9	7
Indirect taxes refunds	19	13
Export incentives	37	98
Others #	364	215
<b>Total</b>	<b>429</b>	<b>333</b>
<b>Total</b>	<b>27,701</b>	<b>29,566</b>

# Includes recovery of freight

### Disaggregation of revenue from contract with customers

The Company has determined the categories of disaggregation of revenue considering the types/nature of contracts. The Company derives revenue from the transfer of goods and services.

Particulars	December 31, 2022	December 31, 2021
<b>Revenue by location of customers</b>		
- India	23,471	25,535
- Outside India	4,280	4,031
	<b>27,701</b>	<b>29,566</b>
<b>Timing of revenue recognition</b>		
- At a point in time	27,701	29,566
- Over a period of time	-	-
<b>Total revenue from contract with customers</b>	<b>27,701</b>	<b>29,566</b>
<b>Reconciliation of revenue recognised in the statement of profit and loss with contracted price</b>		
- Contract price	29,180	31,170
- Less: Volume discount/Cash discount	(1,479)	(1,604)
<b>Total revenue from contract with customers</b>	<b>27,701</b>	<b>29,566</b>

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### 28. Other income

Particulars	December 31, 2022	December 31, 2021
Interest		
Bank deposits	452	360
Loan given to fellow subsidiary (Refer note 40)	137	271
Rental income (Refer note 40)	2	1
Exchange differences (net)	2	5
Gain on sale of asset held for sale, plant and equipment (net)	-	66
Gain on termination of leases	*	*
Miscellaneous income	122	41
<b>Total</b>	<b>715</b>	<b>744</b>

\* denotes figure less than a million

### 29. Cost of materials consumed

Particulars	December 31, 2022	December 31, 2021
Inventory at the beginning of the year	2,106	1,431
Add: Purchases	5,542	6,226
Less: Inventory at the end of the year	2,151	2,106
<b>Total</b>	<b>5,497</b>	<b>5,551</b>

### 30. Changes in Inventories of work-in-progress, stock-in-trade and finished goods

Particulars	December 31, 2022	December 31, 2021
<b>Inventory at the end of the year</b>		
Finished goods	600	549
Stock-in-trade	1,272	1,358
Work-in-progress	57	11
	<b>1,929</b>	<b>1,818</b>
<b>Inventory at the beginning of the year</b>		
Finished goods	549	727
Stock-in-trade	1,258	1,422
Work-in-progress	11	100
	<b>1,818</b>	<b>2,249</b>
<b>Total</b>	<b>(111)</b>	<b>431</b>

### 31. Employee benefits expense

Particulars	December 31, 2022	December 31, 2021
Salaries, wages and bonus	3,662	3,915
Contribution to provident fund and other funds	178	187
Gratuity (Refer note 42)	81	84
Staff welfare expenses	87	92
Employee share based payment expense (Refer note 41)	21	61
<b>Total</b>	<b>4,059</b>	<b>4,339</b>

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### 32. Finance costs

Particulars	December 31, 2022	December 31, 2021
Other interest (Refer note 46)	*	*
Interest on lease liabilities	17	18
<b>Total</b>	<b>17</b>	<b>18</b>

\* denotes figure less than a million

### 33. Depreciation and amortisation expense

Particulars	December 31, 2022	December 31, 2021
Depreciation of property, plant and equipment (Refer note 5 (a))	324	351
Depreciation of right-of-use assets (Refer note 5 (c))	85	75
Amortisation of intangible assets (Refer note 6 (a))	10	241
<b>Total</b>	<b>419</b>	<b>667</b>

### 34. (a) Other expenses

Particulars	December 31, 2022	December 31, 2021
Advertisement and sales promotion	338	461
Auxiliary and other materials	83	91
Auditors remuneration (Refer note 34 (b))	5	5
Expenditure towards Corporate Social Responsibility (CSR) activities (Refer note 47)	143	133
Insurance	114	113
Legal and professional fees	630	686
Service charges	43	38
Power and fuel	143	139
Provision for bad and doubtful debts (net)	(15)	18
Provision for doubtful advances and deposits	1	(2)
Rates and taxes	113	147
Rent	17	36
Repairs and maintenance- buildings	34	13
Repairs and maintenance - others	94	94
Repairs and maintenance - plant and machinery	29	60
Selling and distribution expenses	1,344	1,136
Stores and spares	2	15
Toll manufacturing charges	541	555
Trainings and meetings	60	83
Travelling and conveyance	536	364
Impairment on Assets held for sale	29	-
Loss on sale/write-off of property, plant and equipment (net)	2	-
Miscellaneous expenses	416	349
<b>Total</b>	<b>4,702</b>	<b>4,534</b>

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### 34. (b) Auditors remuneration

Particulars	December 31, 2022	December 31, 2021
Payment to Auditors:		
As auditor:		
Audit fees	5	5
Certificates	*	*
Reimbursement of Expenses	*	*
<b>Total Payments to Auditors</b>	<b>5</b>	<b>5</b>

\* denotes figure less than a million

### 35. Income Tax

#### 35 (a) Income tax expense

Particulars	December 31, 2022	December 31, 2021
<b>Current tax</b>		
Current tax on profits for the year	2,452	3,360
<b>Total current tax expense</b>	<b>2,452</b>	<b>3,360</b>
<b>Deferred tax</b>		
Decrease/(Increase) in deferred tax assets	37	(5)
(Decrease) in deferred tax liabilities	(52)	(223)
Total deferred tax (credit)	(15)	(228)
<b>Income tax expense</b>	<b>2,437</b>	<b>3,132</b>

**35 (b)** For the year ended December 31, 2022, the company has reversed Deferred tax assets of ₹ 1 million in other comprehensive income whereas the company had recognised Deferred tax assets of ₹ 11 million for the year ended December 31, 2021 on account of actuarial remeasurements of defined benefit plan.

No aggregate amounts of current and deferred tax have arisen in the reporting periods which have not been recognised in net profit or loss or other comprehensive income but directly debited/ (credited) to equity.

#### 35 (c) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	December 31, 2022	December 31, 2021
<b>Profit before tax</b>	<b>8,643</b>	<b>12,576</b>
At statutory income tax rate of 25.168% (December 31, 2021: 25.168%)	2,175	3,165
Expenses not deductible for tax purposes	306	218
Non taxable income under Income Tax Act, 1961	(13)	-
Difference on account of different tax rate for long term capital gains	(31)	(112)
Tax on long term capital gain adjusted with long term capital loss (Refer note below)	-	(139)
<b>Effective Income tax</b>	<b>2,437</b>	<b>3,132</b>

During the previous year, long-term capital gain was set-off against the long-term capital loss, however in the previous years no Deferred Tax Assets was recognised for those long term capital losses as the probability of future taxable long-term capital gain against which such long-term capital loss can be set off was considered low.



## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### 35 (d) Deferred tax liabilities (net)

Particulars	December 31, 2022	December 31, 2021
<b>The balance comprises temporary differences attributable to:</b>		
Provision for doubtful debts and advances	(18)	(22)
Disallowance under Section 43B and 40(a)(ii) of the Income Tax Act, 1961	(124)	(122)
Employee retirement and other long term benefits	(206)	(240)
Lease liabilities	(60)	(62)
<b>Total deferred tax assets</b>	<b>(408)</b>	<b>(446)</b>
Depreciation and amortisation	404	453
Right-of-Use Assets	53	56
<b>Total deferred tax liabilities</b>	<b>457</b>	<b>509</b>
<b>Deferred tax liability (net)</b>	<b>49</b>	<b>63</b>

Note: Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

### 35 (e) Movement in deferred tax assets/liabilities

(i) Deferred Tax Assets/Liabilities in relation to the year ended December 31, 2022

Particulars	December 31, 2021	Charged/(Credited) to Profit and Loss	Charged/(Credited) to Comprehensive Income	December 31, 2022
<b>Deferred Tax Liability</b>				
Depreciation and amortisation	453	(49)	-	404
Right-of-Use Assets	56	(3)	-	53
<b>Total Deferred Tax Liability</b>	<b>509</b>	<b>(52)</b>	-	<b>457</b>
<b>Less: Deferred Tax Assets</b>				
Provision for doubtful debts and advances	(22)	4	-	(18)
Disallowance under Section 43B and 40(a)(ii) of the Income Tax Act, 1961	(122)	(2)	-	(124)
Employee retirement and other long term benefits	(240)	33	1	(206)
Lease liabilities	(62)	2	-	(60)
<b>Total Deferred Tax Assets</b>	<b>(446)</b>	<b>37</b>	<b>1</b>	<b>(408)</b>
<b>Net Deferred Tax Liabilities</b>	<b>63</b>	<b>(15)</b>	<b>1</b>	<b>49</b>

(ii) Deferred Tax Assets/Liabilities in relation to the year ended December 31, 2021

Particulars	December 31, 2020	Charged/(Credited) to Profit and Loss	Charged/(Credited) to Comprehensive Income	December 31, 2021
<b>Deferred Tax Liability</b>				
Depreciation and amortisation	647	(194)	-	453
Reversal of goodwill amortisation	31	(31)	-	-
Right-of-Use Assets	54	2	-	56
<b>Total Deferred Tax Liability</b>	<b>732</b>	<b>(223)</b>	-	<b>509</b>
<b>Less: Deferred Tax Assets</b>				
Provision for doubtful debts and advances	(18)	(4)	-	(22)
Disallowance under Section 43B and 40(a)(ii) of the Income Tax Act, 1961	(115)	(7)	-	(122)
Employee retirement and other long term benefits	(240)	11	(11)	(240)
Lease liabilities	(57)	(5)	-	(62)
<b>Total Deferred Tax Assets</b>	<b>(430)</b>	<b>(6)</b>	<b>(11)</b>	<b>(446)</b>
<b>Net Deferred Tax Liabilities</b>	<b>302</b>	<b>(228)</b>	<b>(11)</b>	<b>63</b>

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### 36. Operating Segment

The operations of the Company are limited to one segment viz. Pharmaceutical products.

Operating segments are defined as components of an company for which discrete financial information is available that is evaluated regularly by Chief Operating Decision Maker (CODM), in deciding how to allocate resources and assessing performance.

Geographical revenues are allocated based on the location of the customers. Information regarding geographical revenue is as follows:

Revenue from operations	December 31, 2022	December 31, 2021
<b>Particulars</b>		
India	23,421	25,535
Singapore	3,985	3,879
Others	295	152
<b>Total</b>	<b>27,701</b>	<b>29,566</b>

### Information about major customers

One single external customer/entities under common control represented 10% or more of the Company's total revenue during the year ended December 31, 2022 amounting to ₹ 5,619 million (December 31, 2021: ₹ 5,457 million) (Refer note 40).

### 37. Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 194 Million (December 31, 2021: ₹ 53 Million).

### 38. Earnings per share:

Particulars	December 31, 2022	December 31, 2021
Profit for the year (₹ in Million)	6,206	9,444
Weighted average number of shares	23,030,622	23,030,622
Nominal value per share (₹)	10	10
<b>Basic and diluted earnings per share (₹)</b>	<b>269.47</b>	<b>410.06</b>

### 39. Contingent Liabilities

a) Particulars	December 31, 2022	December 31, 2021
Income Tax demands in respect of which Tax authorities have appealed against Income tax orders which were ruled in favour of the Company	797	876
Company's appeals are pending before appropriate authorities/the Company is in process of filing an appeal with appropriate authorities	1,897	1,905
b) There are certain matters relating to indirect tax litigations which are pending for decision at various authority levels. Based on management's assessment, these would have a remote chance of cash outflow.		
c) There are other legal cases filed against the Company, based on the management assessment the likelihood of cash outflow is considered to be remote.		
d) Contingent liability relating to determination of provident fund liability, based on judgement from Hon'ble Supreme Court, is not determinable at present for the period prior to March 2019, due to uncertainty of the impact of the judgement in the absence of further clarification relating to applicability. The Company has paid Provident Fund to employees as applicable with effect from March 2019. The Company will continue to assess any further developments in this matter for its implication on the financial statements, if any.		

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### 40. Related Party Disclosures

#### i. Parties where control exists:

- Sanofi S.A. France, ultimate holding Company
- Hoechst GmbH, Germany, holding Company

#### ii. Other related parties in Sanofi Group where common control exists and with whom transactions have taken place during the reporting year.

Sanofi-Aventis Singapore Pte. Limited

Francopia S.A.R.L.

Sanofi-Aventis Deutschland GmbH

Sanofi-Aventis Groupe

Sanofi Lanka Limited\*

Sanofi Chimie S.A.\*

Sanofi-aventis Philippines Inc.\*

Sanofi Healthcare India Private Limited

Sanofi Winthrop Industrie S.A.

Sanofi US Services Inc.

Aventis Pharma UK Investments Ltd.\*

Sanofi Vietnam Shareholding Company

Sanofi-Aventis Gestion S.A.

Sanofi-aventis Healthcare Pty Ltd\*

Euro API Germany GmbH

Sanofi Industries South Africa (PTY) Ltd.

SSP Co. Ltd

Sanofi India Limited Provident Fund

\* No transactions during the year

#### iii. Key management personnel of the Company for the year

- Mr. Rodolfo Hrosz - Managing Director (w.e.f. June 1, 2022)
- Mr. Rajaram Narayanan - Managing Director (till the closure of business hours of April 10, 2022)
- Mr. Cherian Mathew - Whole Time Director
- Mr. Vaibhav Karandikar - Chief Financial officer and Whole time director (w.e.f. February 23, 2021)
- Mr. Girish Tekchandani - Company Secretary (till the closure of business hours of August 31, 2021)
- Ms. Radhika Shah - Company Secretary (w.e.f. November 1, 2021)

#### iv. Non-Executive Directors

- Mr. Cyril Grandchamp-Desraux - (till the closure of business of November 24, 2021)
- Mr. Marc-Antoine Lucchini
- Mr. Charles Billard - (till the closure of business hours of November 3, 2022)
- Ms. Annapurna Das - (w.e.f. November 3, 2022)

#### v. Independent Directors

- Mr. Aditya Narayan
- Mrs. Usha Thorat
- Mr. Rahul Bhatnagar

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### vi. Transactions during the year

Particulars	December 31, 2022	December 31, 2021
<b>Ultimate Holding Company</b>		
Dividend paid	3	2
Expenses recharged by	(22)	117
<b>Total</b>	(19)	119
<b>Holding Company</b>		
Dividend paid	9,497	5,075
<b>Other related Parties</b>		
<b>Sale of Products and Other Operating Income</b>		
Sanofi-Aventis Singapore Pte. Limited	3,938	3,794
Others	183	207
<b>Total</b>	4,121	4,001
<b>Purchase of Raw Materials and Stock-in-trade</b>		
Sanofi-Aventis Singapore Pte. Limited	2,474	4,052
Francopia S.A.R.L.	1,106	1,145
Sanofi Healthcare India Private Limited	3,220	2,765
Others	*	*
<b>Total</b>	6,800	7,962
<b>Expenses recharged to other companies</b>		
Sanofi-Aventis Groupe S.A.	2	*
Sanofi Healthcare India Private Limited	6	8
Sanofi-Aventis Gestion S.A.	4	-
Others	*	*
<b>Total</b>	12	9
<b>Sale of Services</b>		
Sanofi Healthcare India Private Limited	1,431	1,355
Sanofi-Aventis Singapore Pte. Limited	47	65
Others	20	16
<b>Total</b>	1,498	1,436
<b>Purchase of Tangible Asset</b>		
Sanofi-Aventis Deutschland GmbH	20	-
<b>Total</b>	20	-
<b>Payment towards Intangibles under development</b>		
Sanofi Healthcare India Private Limited	8	24
<b>Total</b>	8	24
<b>Rent Income</b>		
Sanofi Healthcare India Private Limited	2	1
<b>Total</b>	2	1
<b>Rent Paid</b>		
Sanofi Healthcare India Private Limited	1	1
<b>Total</b>	1	1
<b>Loan given</b>		
Sanofi Healthcare India Private Limited	-	50
<b>Total</b>	-	50
<b>Loan repaid</b>		
Sanofi Healthcare India Private Limited	4,450	50
<b>Total</b>	4,450	50

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

Particulars	December 31, 2022	December 31, 2021
<b>Interest Income on loan</b>		
Sanofi Healthcare India Private Limited	137	271
<b>Total</b>	137	271
<b>Expenses recharged by other companies</b>		
Sanofi Healthcare India Private Limited	60	56
Sanofi Winthrop Industrie S.A.	-	9
Sanofi Lanka Limited	-	26
Sanofi-Aventis Groupe	20	7
Others	*	1
<b>Total</b>	80	99
<b>Contribution to In-house Trust for Post Employment Benefits - Provident Fund</b>		
Sanofi India Limited Provident Fund (Including contribution by employees)	323	355

\* denotes figure less than a million

Particulars	December 31, 2022	December 31, 2021
<b>Key Management Personnel Remuneration #</b>		
<b>Remuneration</b>		
Mr. Rodolfo Hiroz	18	-
Mr. Rajaram Narayanan	33	42
Mr. Vaibhav Karandikar	20	18
Mr. Chetan Mathew	26	26
Mr. Girish Tekchandani	-	7
Ms. Radhika Shah	10	2
<b>Total</b>	107	95
<b>Share based benefit</b>		
Mr. Rodolfo Hiroz	6	-
Mr. Rajaram Narayanan	-	11
Mr. Vaibhav Karandikar	4	2
Mr. Chetan Mathew	6	4
<b>Total</b>	16	17
<b>Loan given</b>		
Mr. Vaibhav Karandikar (Refer note 2 below)	*	*
Mr. Vaibhav Karandikar	*	*

# Excludes Provision made on the basis of Actuarial valuation

\* denotes figure less than a million

Particulars	December 31, 2022	December 31, 2021
<b>Sitting Fees to Non- Executive Directors</b>		
Mr. Aditya Narayan	1	1
Ms. Usha Thorat	2	1
Mr. Rahul Bhatnagar	2	1
<b>Total</b>	5	3
<b>Commission to Non- Executive Directors</b>		
Mr. Aditya Narayan	2	2
Ms. Usha Thorat	1	1
Mr. Rahul Bhatnagar	1	1
<b>Total</b>	4	4

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

Terms and conditions of transactions with related parties

The sales, services and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. For the year ended December 31, 2022, the Company has not recorded

### vii. Outstanding as at December 31, 2022

Particulars	December 31, 2022	December 31, 2021
<b>Trade Receivables</b>		
Sanofi-Aventis Singapore Pte. Limited	736	596
Sanofi Healthcare India Private Limited	128	332
Others	8	5
<b>Total</b>	872	933
<b>Trade Payables</b>		
Sanofi-Aventis Singapore Pte. Limited	533	475
Sanofi Winthrop Industrie S.A.	-	11
Fraxipharma A.R.L.	789	534
Sanofi Healthcare India Private Limited	224	610
Others	23	32
<b>Total</b>	1,569	1,662
<b>Other Financial Liabilities</b>		
Sanofi Healthcare India Private Limited	7	14
<b>Loan receivable</b>		
Sanofi Healthcare India Private Limited (Refer Note 1, below)	-	4,450
<b>Key Management Personnel</b>		
<b>Loan receivable</b>		
Mr. Vaibhav Karandikar (Refer Note 2 below)	*	*

\* denotes figure less than a million

- 1) Loan given to Sanofi Healthcare India Private Limited. The rate of interest was 7.5% till April 14, 2021 and 5.5% from April 15, 2021 to April 14, 2022, and then 5.55% till July 25, 2022. Maximum balance outstanding during the year ₹ 4,450 Million (December 31, 2021: ₹ 4,450 Million) from Sanofi Healthcare India Private Limited. The said loan has been proposed to be utilized by Sanofi Healthcare India Private Limited for business purpose and was fully recovered during the current year. The Maturity date of the loan was April 15, 2023.  
The loan was given against corporate guarantee by Sanofi S.A. France. Guarantee is valid till April 15, 2023.
- 2) Given as per the Company's policies for employees. These are interest free loan and repayable in 12 month equal instalments.

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### 41. Share Based Payments

#### Restricted Stock Units (RSUs)

The Company does not provide any equity based compensation to its employees. However, the ultimate holding company, Sanofi SA, France ("the grantor") maintains equity incentive plans that provide for award of restricted share plans to certain employees of the

Company. The terms of those plans make the award contingent on the attainment of certain performance criteria which are considered to be defined grants. The vesting period of such plans is either three or four years.

The fair value of an equity instrument granted under a plan is the market price of the share at the grant date, adjusted for expected dividends during the vesting period.

Particulars	December 31, 2022		December 31, 2021	
	Weighted average grant date (in euro)	Number of Units	Weighted average grant date (in euro)	Number of Units
Units outstanding at the beginning of the year	79	34,742	75	39,308
Units granted during the year	101	7,795	86	12,322
Exercised during the year	68	(6,165)	66	(12,897)
Forfeited/expired/laosed during the year	85	(7,520)	73	(3,991)
Units outstanding at the end of the year	80	26,852	79	34,742

#### Weighted average remaining contractual life of RSUs outstanding at the end of the year

Particulars	Life in (years)
As at December 31, 2022	1
As at December 31, 2021	1

### 42. Employee Benefits

#### Expenses arising from share based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense are as follows:

Particulars	December 31, 2022		December 31, 2021	
	Employee share based payment expense	Total employee share based payment expense	Employee share based payment expense	Total employee share based payment expense
		21		61
		21		61

#### 42. Employee Benefits

##### Defined Contribution Plans (Refer Note 2.3 (xvi)(III))

The Company makes contributions towards provident fund (Nepal), superannuation fund and pension scheme to a defined contribution retirement benefit plan for qualifying employees. The superannuation fund is administered by the Life Insurance Corporation of India (LIC). Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The Company has recognised the following amounts in the statement of Profit and Loss for the year:

Particulars	December 31, 2022		December 31, 2021	
	i)	ii)	i)	ii)
Contribution to Employees' Provident Fund (Nepal)		1		1
Contribution to Employees' Superannuation Fund		29		31
Contribution to Employees' Pension Scheme, 1995		36		41
Contribution to Employees' State Insurance Corporation		*		*

\*denotes figure less than a million.

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### Defined Benefit Plans

at the time of separation based on the last drawn base salary.

I) Other long term employee benefits (Refer Note 2.3 (xvii)(II))

**Compensated absences** (included as a part of salaries and wages in Note 3.1 - Employee benefits expense)

All eligible employees can carry forward and avail / encash leave as per Company's rules.

**Long Service Award** (included as a part of salaries and wages in Note 3.1 - Employee benefits expense)

Under this scheme, long service benefits accrues to the employees, while in service and is payable upon completion of stipulated services with the Company.

II) Post employment employee benefits plans (Refer Note 2.3 (xvii)(III))

A. **Gratuity**

Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement in terms of provisions of the Payment of Gratuity Act or as per the Company's Scheme whichever is more beneficial. Benefit would be paid

**Pension plan**  
Under the Company's Pension scheme, certain executives are eligible for fixed pension for five years, depending on their level at the time of retirement on superannuation, death or early retirement with the consent of the Company.

In above cases, the Company's liability is actuarially determined (using the Projected unit credit method) at the end of each year. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity and Pension plan and the amounts recognised in the Company's financial statements as at the Balance Sheet date:

#### Actuarial Assumptions

Particulars	Gratuity		Pension Plan	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Discount Rate (per annum)	7.55%	7.08%	N/A	7.08%
Expected Rate of Return on Plan Assets	7.55%	7.08%	N/A	N/A
Salary Escalation rate/Pension escalation rate	6.8% p.a. for 1 year, 7.50% p.a. for the next 3 years, 6.5% p.a. for the years thereafter	7.00% p.a. for the next 4 years, 6% p.a. for the years thereafter	N/A	N/A
Mortality	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban	N/A	Indian Assured Lives Mortality (2012-14) Urban
Employees attrition rate	For service 4 yrs & Below 8.00 % p.a. & For service 5 yrs and above 2.00 % p.a.	For service 4 yrs & Below 8.00 % p.a. & For service 5 yrs and above 2.00 % p.a.	N/A	1%

Notes:

- The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors, such as supply and demand in the employment market
- The discount rate is based on the prevailing market yields of Indian Government securities as at the Balance sheet date for the estimated term of the obligation.

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### i) Reconciliation of present value of obligations (PVO) - defined benefit obligation:

Particulars	Gratuity		Pension Plan	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Liability at the beginning of the year	865	844	*	1
Interest Cost	61	56	*	*
Current Service Cost	55	60	-	-
Benefits Paid	(3,90)	(49)	(*)	(*)
Liability Transfer Out/Divestments	-	(48)	-	-
Actuarial (gain)/loss on Financial Assumption	3	(20)	-	-
Actuarial (gain)/loss on Demographic Assumption	-	5	-	-
Actuarial (gain)/loss on Experience	(5)	17	-	(*)
<b>Liability at the end of the year</b>	<b>789</b>	<b>865</b>	-	*

\*denotes figure less than a million.

### ii) Fair value of Plan Assets

Particulars	Gratuity		Pension Plan	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Fair Value of Plan Assets at the beginning of the year	506	476	-	-
Expected Return on Plan Assets	35	32	-	-
Employer's Contributions	265	40	-	-
Benefits Paid	(143)	(39)	-	-
Return on plan Assets Excluding Interest	10	(3)	-	-
<b>Fair Value of Plan Assets at the end of the year</b>	<b>673</b>	<b>506</b>	-	-

### iii) Amount Recognised in the Balance Sheet

Particulars	Gratuity		Pension Plan	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Liability at the end of the year	789	865	-	*
Fair Value of Plan Assets at the end of the year	673	506	-	-
<b>Amount Recognised in the Balance Sheet</b>	<b>116</b>	<b>359</b>	-	*

\*denotes figure less than a million.

### iv) Expenses Recognised in the Income Statement

Particulars	Gratuity		Pension Plan	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Current Service Cost	55	60	-	*
Interest Cost on benefit obligation (net)	26	24	-	*
<b>Expense Recognised</b>	<b>81</b>	<b>84</b>	-	*

\*denotes figure less than a million.

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### v) Expenses Recognised in Other Comprehensive Income (OCI) for current year

Particulars	Gratuity		Pension Plan	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Actuarial changes arising from changes in financial assumptions	3	(20)	-	*
Actuarial changes arising from changes in demographic assumptions	-	5	-	-
Actuarial changes arising from changes in experience adjustments	(5)	17	-	(*)
Return on Plan Asset, Excluding Interest Income	(10)	3	-	-
<b>OCI for the year</b>	<b>(12)</b>	<b>5</b>	-	(*)

\*denotes figure less than a million.

### B) Also refer note C below

Particulars	Provident Fund	
	December 31, 2022	December 31, 2021
Re-measurement on account of Fair Value of Plan Assets	-	-
Interest Short Fall	-	6
<b>OCI for the year</b>	<b>-</b>	<b>6</b>
<b>Total OCI for the year (A+B)</b>	<b>(12)</b>	<b>(14)</b>

### vi) Maturity profile of defined benefit obligations (undiscounted)

Particulars	Gratuity		Pension Plan	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Projected Benefits Payable in Future Years From the Date of Reporting	69	98	-	*
1 year (within next 12 months)	540	558	-	1
2 to 10 years	1,224	1,226	-	-
<b>Above 10 years</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*denotes figure less than a million.

### vii) Sensitivity Analysis

Particulars	Gratuity		Pension Plan	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Benefit Obligation on Current Assumptions	789	865	-	*
Effect of +0.5% Change in Rate of Discounting	(33)	(36)	-	(*)
Effect of -0.5% Change in Rate of Discounting	36	39	-	*
Effect of +0.5% Change in Rate of Salary Increase	36	39	-	*
Effect of -0.5% Change in Rate of Salary Increase	(34)	(37)	-	-
Effect of +0.5% Change in Rate of Employee Turnover	3	3	-	-
Effect of -0.5% Change in Rate of Employee Turnover	(3)	(3)	-	-

\*denotes figure less than a million.



## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### 44. Risk exposure:

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

**Investment risk:** Future investment returns on assets are lower than assumed in valuation, the scheme's assets will be lower and the funding level higher than expected.

**Changes in bond yields:** A decrease in yields will increase plan liabilities, although this will be partially

offset by an increase in the value of the plans' bond holdings.

**Longevity risk:** If improvements in life expectancy are greater than assumed, the cost of benefits will increase because pensions are paid for longer period than expected. This will mean the funding level will be higher than expected.

**Inflation risk:** If inflation is greater than assumed, the cost of benefits will increase as pension increases and deferred revaluations are linked to inflation.

### ix) Broad category of Plan assets relating to Gratuity

Particulars	Gratuity	
	December 31, 2022	December 31, 2021
Fund managed by Life Insurance Corporation of India (Unquoted)	94%	93%
Special Deposit Fund	6%	7%
Fund is Managed by LIC as per IRDA guidelines, category-wise composition of the plan assets is not available.		

### C.

The Company manages the provident fund through a Provident Fund Trust for its employees (except Staff and Workmen at Nepal unit) which are permitted under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952. Eligible employees receive benefits from the said Provident Fund. Both the employees and the Company make monthly contributions to the Provident Fund Trust equal to a specified percentage of the covered employee's salary. The minimum interest rate payable by the Trust to the beneficiaries every year is being notified by the Government of India. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. The Board of Trustees administers the contributions made by the Company to the schemes and also defines the investment strategy.

The Company has an obligation to service the shortfall on account of interest generated by the fund and on maturity of fund investments and hence the same has been classified as Defined Benefit Plan in accordance with Ind AS 19 "Employee Benefits". As per the Guidance Note from the Actuarial Society of India, the Company has obtained the actuarial valuation of principal loss and interest rate obligation in respect of Provident Fund as at December 31, 2022 and based on the same Loss of ₹ 6 million (Previous Year ₹ 39 million) on account of re-measurement of fair value of plan assets and on account of interest shortfall is recognised in Other Comprehensive Income.

Key assumption used for actuarial valuation are as below:

Particulars	Provident Fund	
	December 31, 2022	December 31, 2021
Rate of Discounting	7.55%	7.08%
Guaranteed rate of return	8.10%	8.50%
Weighted Average Yield	7.99%	8.00%

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### 43. Other provisions:

#### Movements in provisions:

Particulars	Class of provisions				Total
	Indirect tax	Provision for Sales Returns	Provision for DPCO matters	Others	
Balance as at January 1, 2022	341 (346)	552 (730)	367 (367)	40 (42)	1,300 (1,485)
Amount provided during the year	10	555	-	2	567
Amount written back/paid during the year	(20)	(681)	(-)	-	(701)
Balance as at December 31, 2022	(25)	426	367	(2)	(886)
	330 (341)	728 (552)	367 (367)	2 (40)	1,427 (1,300)

Note: Figures in brackets are for the previous year.

- Provision for indirect taxes represents differential excise duty, GST, sales tax and service tax in respect of which the claims are pending before various authorities for a considerable period of time and based on management's estimate of claims provision is made on prudent basis that possible outflow of resources may arise in future.
- Provision for sales returns are on account of expected date expiry and breakages returns based on historical trends. outflow is considered as remote.
- In respect of Provision for DPCO matters, based on the management assessment, the likelihood of any additional outflow is considered as remote.
- Other provisions on prudent basis are towards possible outflow of resources in respect of legal cases pending against the Company or in respect of contractual obligations of the Company.

### 44. Derivative Instruments and Un-hedged Foreign Currency Exposure:

There are no derivative instrument as at Balance Sheet date

Particulars of un-hedged Foreign Currency exposure as at Balance sheet date

Particulars	December 31, 2022		December 31, 2021	
	Foreign Currency Value	₹ in Million	Foreign Currency Value	₹ in Million
Trade Payables	EUR	13,223,417	1,171	9,764,441
	USD	351,118	29	1,068,577
	JPY	2,687,500	2	-
Trade Receivables	EUR	8,395,451	744	7,093,334
	USD	251,469	21	452,656
Cash and Bank Balances	EUR	59,213	5	-
	USD	562,503	47	116,069
				9

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

45. (a) Consequent upon the decision of the Supreme Court in the matter of prices of certain bulk drugs fixed by the Government of India under the Drug (Prices Control) Order, 1979, the Company paid an amount of ₹ 31 Million in 1988 being the liability determined by the Special Team appointed by the Government. However, during 1990, fresh demands aggregating to ₹ 781 Million alleged to be payable into the Drug Prices Equalisation Account (DPEA) were made by the Government on account of alleged unintended benefit enjoyed by the Company. The Government has also made certain claims for applicable interest. On a Writ Petition filed by the Company in 1991, the Bombay High Court passed an order whereby the demands were to be treated as show cause notices. The High Court directed the Company and the Government to furnish relevant data to each other based on which the Government was to rework the figures. The Government did not furnish the requisite data to the Company. In 1995, a further demand of ₹ 80 Million was made by the Government.

In the meantime, a Committee was constituted by the Government to determine the liabilities of the Drug Companies. The Company filed written submissions with the Committee and contended during the personal hearing that in the absence of the Government furnishing the requisite data as directed by the Bombay High Court, the Company

was not in a position to make an effectual presentation before the Committee.

In January 1999, the Company filed an Application before the Bombay High Court seeking directions to the Government to furnish the requisite data. The Application is pending. In the meantime, the Committee has deferred further hearing of the Company's case, until the Application is heard and decided by the Bombay High Court. In any event, the Company is contesting the above demand.

(b) National Pharmaceutical Pricing Authority (NPPA) had raised demands on the Company for alleged overcharging of some of its products. The Company had contested the demands by filing writ petitions in the Delhi High Court. The Hon'ble Delhi High Court vide order dated May 16, 2019, without expressing any opinion on the matter, set aside the demands raised and the matter was remanded back to NPPA for considering them afresh in accordance with law.

As a matter of abundant precaution, an amount of ₹ 162 million which had been provided in the books of account in earlier years has been retained. The Company will continue to assess any further developments in this matter.

Based on the management assessment, the likelihood of any additional outflow is considered as remote in respect of above (a) and (b) matters.

## 46. Micro and Small Enterprises

The Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	December 31, 2022	December 31, 2021
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	181	268
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	17	17
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	65	39
Interest accrued and remaining unpaid at the end of the accounting year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	*	*
Interest accrued and remaining unpaid at the end of the accounting year	*	*
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	17	17

\* denotes figure less than a million

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

47. Disclosure on Corporate Social Responsibility as per the provisions of Section 135 of the Companies Act, 2013

Particulars	Year ended December 31, 2022	Year ended December 31, 2021
Amount required to be spent as per Section 135 of the Act	143	133
Amount spent during the year:		
i) Construction/acquisition of any asset	-	-
ii) On purpose other than (i) above:		
a) Public Private Partnership with the Government of Goa	11	2
b) Non communicable CD program with the Health Department of the Govt. of Maharashtra & Telangana	67	40
c) Towards Counselling patients to manage their diabetes and create awareness on early detection	68	9
d) Allergy free program	-	-
e) Towards Employees volunteering - Joy in Outreach	1	1
f) Towards Grants/Donation	2	35
g) Towards skill development of youth skilled Labour	-	-
h) Cancer awareness programme	24	3
i) Administrative overheads	7	6
Total (a)	180	96
Excess / (Shortfall)	37	(37)
Less: Amount utilised from previous year	-	-
Amount to be spent (b) (Refer note below)	-	37
CSR expenses for the year (Refer note 34)	143	133

### Details of ongoing CSR projects under Section 135(6) of the Act

Balance as at January 1, 2022	Amount required to be spent during the year	Amount spent during the year	Balance as at December 31, 2022
In Separate CSR unspent account	37	37	-
With the Company	143	143	-
			In Separate CSR unspent account

### Details of CSR expenditure under Section 135(6) of the Act in respect of other than ongoing projects

Balance unspent as at January 1, 2022	Amount deposited in the specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at December 31, 2022
-	-	-	-	-

### Details of excess CSR expenditure under Section 135(6) of the Act

Balance excess spent as at January 1, 2022	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at December 31, 2022
-	143	143	-

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

48. a) The Board of Directors of the Company at its meeting held on November 25, 2021, approved the transfer of certain assets namely marketing intangibles, customer lists/database, trade channel knowledge/wholesaler lists, vendor/supplier database, pharmacovigilance/medical database that are related to the distribution business of Soframycin and Sofradex conducted by the Company and product inventory to Encube Ethicals Private Limited.

Pursuant to the agreement dated December 1, 2021 with Encube Ethicals Private Limited, the transaction concluded on January 31, 2022 after fulfillment of the underlying conditions and the Company has received the full consideration of ₹ 1,369 million including working capital adjustments and consequently, the Company had accounted for a gain of ₹ 1,181 million from sale of this business after working capital adjustment and transaction costs. This has been disclosed as an exceptional item.

b) Exceptional item for the current year also includes profit on sale of a property amounting to ₹ 320 million and separation cost relating to the sales force management amounting to ₹ 1.81 Million.

49. During the year ended December 31, 2021, the Board of Directors of the Company at its meeting held on July 27, 2021 approved a transaction for the slump sale and transfer of the Company's Nutraceuticals business, on a going concern basis to Universal Nutriscience Private Limited for a consideration of ₹ 5,870 million including debt like obligations, subject to customary working capital adjustments. The transaction was closed on September 30, 2021. Subsequent to the closing, the final consideration of ₹ 5,860 million (after working capital adjustments) was received in full and during the year ended December 31, 2021, the Company had accounted for gain of ₹ 4,892 million (comprising debt like obligation taken over by the purchaser ₹ 196 million, intangible assets adjusted ₹ 827 million and transaction costs ₹ 337 million), which has been disclosed as an exceptional item in the previous year.

### 50. Fair value measurements

#### Financial instruments by category

Particulars	December 31, 2022		December 31, 2021	
	FVTPL	FVTOCI	FVTPL	FVTOCI
<b>Financial assets</b>				
Loans	-	-	-	4,477
Trade receivables	-	1,291	-	1,429
Cash and cash equivalents	-	10,049	-	15,380
Bank balances other than cash and cash equivalents	-	120	-	123
Other financial assets	-	217	-	174
<b>Total financial assets</b>	-	11,697	-	21,583
<b>Financial liabilities</b>				
Trade payables	-	3,564	-	3,767
Other financial liabilities	-	113	-	82
<b>Total financial liabilities</b>	-	3,677	-	3,849

#### Fair value of financial assets/liabilities measured at amortised cost

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, trade payables, other financial liabilities are considered to be the same as their fair values, as they are current in nature.

The categories used are as follows:

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. Considering that all significant inputs required to fair value such instruments are observable, these are included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### 51. Financial risk management

The Company's activities expose it to variety of financial risks namely market risk, credit risk and liquidity risk. The Company has various financial assets such as deposits, trade and other receivables and cash and bank balances directly related to their business operations. The Company's principal financial liabilities comprise of trade and other payables. The Company's senior management's focus is to foresee the unpredictability and minimize potential adverse effects on the Company's financial performance. The Company's overall risk management procedures to minimise the potential adverse effects of financial market on the Company's performance are as follows:

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management is carried out by the management in consultation with the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific risk areas.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

#### (A) Management of Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and from its financing activities including deposits with banks and other financial instruments. The Company establishes an impairment allowance

The movement in the allowance for credit loss in respect of trade receivables was as follows:

Particulars	December 31, 2022	December 31, 2021
Opening balance	68	50
Changes in loss allowance	(15)	18
Closing balance	53	68

The management believes that no further provision is necessary in respect of trade receivables based on historical trends of these customers.

(ii) Cash and cash equivalents and bank balances  
The Company held cash and cash equivalents of ₹ 10,049 million as at December 31, 2022 (December 31, 2021: ₹ 15,380 million) and other bank balances of ₹ 120 million (December 31, 2021: ₹ 123 million). Credit risk on cash and cash equivalents is limited as these are generally held or invested in deposits with banks and financial institutions with good credit ratings.

based on expected credit loss model that represents its estimate of incurred losses in respect of trade and other receivables.

#### (i) Trade and other receivables

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 1,291 million as at December 31, 2022 (December 31, 2021: ₹ 1,429 million). Trade receivables are typically unsecured and are derived from revenue earned from customers located in India as well as outside India.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry, the country and the state in which the customer operates, also has an influence on credit risk assessment. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Further, significant sales of the Company are against advance payment/collection on delivery terms.

The management continuously monitors the credit exposure towards the customers outstanding at the end of each reporting period to determine incurred and expected credit losses.

single customer has significant contribution to trade receivable balances.

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### (iii) Loans

Outstanding loan given to its fellow subsidiary amounting to ₹ Nil as at December 31, 2022 (December 31, 2021: ₹ 4,450 million). This loan has been given against the corporate guarantee by group company i.e. Sanofi S.A.

The Company's maximum exposure to credit risk as at December 31, 2022 and December 31, 2021 is the carrying value of each class of Financial Assets.

### (B) Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing

liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy with a positive cash balance throughout the year ended December 31, 2022 and December 31, 2021. Cash Flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The following table shows the maturity analysis of the Company's all non-derivative, contractual financial liabilities based on agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Particulars	Carrying amount	Undiscounted Amount		Total
		Payable within one year	Payable more than one year	
<b>As at December 31, 2022</b>				
Lease liabilities	236	101	161	262
Trade Payables	3,564	3,564	-	3,564
Unclaimed dividend	78	78	-	78
Liability of Capital Goods	28	28	-	28
Other Payables	7	7	-	7

Particulars	Carrying amount	Undiscounted Amount		Total
		Payable within one year	Payable more than one year	
<b>As at December 31, 2021</b>				
Lease liabilities	246	84	194	278
Trade Payables	3,767	3,767	-	3,767
Unclaimed dividend	56	56	-	56
Liability of Capital Goods	12	12	-	12
Other Payables	14	14	-	14

### (C) Management of 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. Market risk comprises three types of risks namely, interest rate risk, currency risk and other price risk, such as commodity risk. The Company is not exposed to interest rate risk and other price risk whereas the exposure to currency risk is given below.

## Notes forming part of financial statements

as at and for the year ended December 31, 2022

### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates and arises where transactions are done in foreign currencies. It arises mainly where receivables and payables exist due to transactions entered in foreign currencies. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. The Company does not enter into financial instrument transactions for trading or speculative purposes. The Company's exposure to foreign currency risk at the end of reporting periods in ₹ as follows:

Particulars	December 31, 2022		
	EUR	USD	JPY
Trade receivables	744	21	-
Cash and cash equivalents	5	47	-
Trade payables	(1,171)	(29)	(2)
<b>Net exposure</b>	<b>(422)</b>	<b>39</b>	<b>(2)</b>

Particulars	December 31, 2021		
	EUR	USD	JPY
Trade receivables	601	34	9
Cash and cash equivalents	-	-	-
Trade payables	(871)	-	(80)
<b>Net exposure</b>	<b>(226)</b>	<b>-</b>	<b>(37)</b>

### Sensitivity - Foreign Currency


The sensitivity of profit or loss to changes in the exchange rates is as follows:

Particulars	Impact on profit after tax	
	December 31, 2022	December 31, 2021
<b>USD Sensitivity</b>		
INR/USD increase by 1% (December 31, 2021 - 1%) #	*	(*)
INR/USD decrease by 1% (December 31, 2021 - 1%) #	(*)	*
<b>EUR Sensitivity</b>		
INR/EUR increase by 1% (December 31, 2021 - 1%) #	(3)	(2)
INR/EUR decrease by 1% (December 31, 2021 - 1%) #	3	2
<b>JPY Sensitivity</b>		
INR/JPY increase by 1% (December 31, 2021 - 1%) #	(*)	-
INR/JPY decrease by 1% (December 31, 2021 - 1%) #	*	-

# Holding all other variables constant

\* denotes figure less than a million

/ concept, content and design at AICL (the@aicl.in)

 [www.youtube.com/watch?v=UWTFMhKt10](https://www.youtube.com/watch?v=UWTFMhKt10)

**sanofi**

Sanofi India Limited

CTS No. 117-B, L&T Business Park, Saki Vihar Road, Powai, Mumbai 400072



## Annexure 3

# sanofi

8<sup>th</sup> November 2023

The Secretary,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001  
Scrip Code: 500674

The Secretary,  
The National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G Block,  
Bandra-Kurla Complex, Bandra East,  
Mumbai 400 050  
Symbol: SANOFI

**Sub: Unaudited Financial Results (Standalone & Consolidated) for the quarter and nine months ended 30<sup>th</sup> September 2023**

Dear Sirs,

We refer to our letter dated 19<sup>th</sup> October 2023, informing you of our Board Meeting that was scheduled today. The Meeting of Board of Directors commenced at 3:00 p.m. and concluded at 5:20 p.m. At the said meeting the Board approved the Unaudited Financial Results (Standalone & Consolidated) for the quarter and nine months ended 30<sup>th</sup> September 2023.

Further, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we also enclose herewith a copy of the Unaudited Financial Results (Standalone & Consolidated) for the quarter and nine months ended 30<sup>th</sup> September 2023 approved at this Meeting with a copy of the Limited Review Report duly signed by the Statutory Auditors of the Company.

The above information is also available on the website of the Company at [Financial results - Sanofi India \(sanofiindia ltd .com\)](http://Financial results - Sanofi India (sanofiindia ltd .com))

Please take the above information on record.

Thanking you,

Yours sincerely,

For **Sanofi India Limited**

**Radhika**

**Kartik Shah**

**Radhika Shah**

Company Secretary & Compliance Officer

Membership No: A19308

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Radhika Kartik Shah  
Date: 2023.11.08  
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## Price Waterhouse & Co Chartered Accountants LLP

### Review Report

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

1. We have reviewed the unaudited standalone financial results of Sanofi India Limited (the "Company") for the quarter ended September 30, 2023 and the year to date results for the period January 01, 2023 to September 30, 2023, which are included in the accompanying Statement of Unaudited Standalone Financial Results for the quarter and nine months ended September 30, 2023 (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been digitally signed by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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.
3. 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 Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



Place: Mumbai  
 Date: November 8, 2023

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

ARUNKUMAR RAMDAS  
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 Date: 2023.11.08  
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Arunkumar Ramdas  
 Partner  
 Membership Number : 112433  
 UDIN: 23112433BGYPMPG7685

Price Waterhouse & Co Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West)  
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Registered office and Head office: Plot No. 56 & 57, Block DN, Sector-V, Salt Lake, Kolkata 700 091

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)

**SANOFI INDIA LIMITED**

Registered Office : Sanofi House, C.T.S No - 117-B, L & T Business Park, Saki Vihar Road, Powai, Mumbai 400 072.  
 Corporate Identity Number: L24239MH1956PLC009794  
 Tel no: (91-22) 28032000 Fax No: (91-22) 28032846  
 Website: www.sanofiindia.com Email: igrc.sil@sanofi.com

**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2023**

Particulars	₹ in Million					
	Quarter ended 30.09.2023 (Unaudited)	Quarter ended 30.06.2023 (Unaudited)	Quarter ended 30.09.2022 (Unaudited)	Nine Months ended 30.09.2023 (Unaudited)	Nine Months ended 30.09.2022 (Unaudited)	Year ended 31.12.2022 (Audited)
1. Revenue from Operations	7,146	7,061	6,919	21,572	20,982	27,701
2. Other Income	118	157	114	533	515	715
3. Total Income (1+2)	7,264	7,218	7,033	22,105	21,497	28,416
4. Expenses						
(a) Cost of Materials Consumed	1,310	1,544	1,218	4,309	4,271	5,497
(b) Purchases of stock in trade	3,952	1,885	1,136	7,944	5,002	6,510
(c) Changes in Inventories of work-in-progress, stock-in-trade and finished goods	(2,264)	(266)	539	(3,046)	(188)	(111)
(d) Employee benefits expense	932	937	973	2,787	3,023	4,059
(e) Finance costs	3	7	5	13	13	17
(f) Depreciation and amortisation expense	99	98	104	294	319	419
(g) Other expenses	1,131	1,179	1,234	3,412	3,499	4,702
Total Expenses	5,163	5,384	5,209	15,713	15,939	21,093
5. Profit before exceptional items and tax (3-4)	2,101	1,834	1,824	6,392	5,558	7,323
6. Exceptional items (Refer notes 3 & 4)	-	-	-	178	1,181	1,320
7. Profit before tax (5+6)	2,101	1,834	1,824	6,570	6,739	8,643
8. Tax expense						
Current Tax	586	613	527	1,937	1,822	2,452
Deferred Tax	(7)	(8)	(12)	(22)	20	(15)
9. Profit for the period /year (7-8)	1,522	1,229	1,309	4,655	4,897	6,206
10. Other comprehensive income (OCI) (Net of Tax)	-	-	-	-	-	5
11. Total comprehensive income for the period/year (9+10)	1,522	1,229	1,309	4,655	4,897	6,211
12. Paid-up equity share capital (Face Value of ₹ 10 per share)	230	230	230	230	230	230
13. Other equity	-	-	-	-	-	12,528
14. Basic and diluted earnings per share (not annualised)	66.08	53.37	56.84	202.12	212.63	269.47

The statutory auditors have digitally signed this statement for identification purposes only and this Statement should be read in conjunction with the review report dated November 8, 2023

**ARUNKUMAR  
RAMDAS**

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**Notes:**

1. The above Results have been reviewed by the Audit Committee at its meeting held on November 8, 2023 and approved by the Board of Directors of the Company at its Meeting held on November 8, 2023. The statutory auditors have carried out a limited review of the above results for the quarter ended September 30, 2023.
2. This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), prescribed under section 133 of the Companies Act, 2013, and other recognized accounting practices and policies to the extent applicable.
3. Exceptional Item for the nine months ended September 30, 2023, includes profit on sale of property amounting to ₹255 million offset by personnel separation cost amounting to ₹77 million.
4. During the nine months ended September 30, 2022, the Company had transferred its distribution business of Soframycin and Sofradex to Encube Ethicals Private Limited and had accounted for gain of ₹ 1,181 million, which was disclosed as an exceptional item in the nine months ended September 30, 2022 and previous year ended December 31, 2022.  
  
Exceptional Item for the previous year ended December 31, 2022 also includes profit on sale of a property amounting to ₹320 million offset by personnel separation cost amounting to ₹181 million.
5. The Company has a single business segment namely 'Pharmaceutical Business'.
6. The Board of Directors ("Board") on May 10, 2023, have approved a scheme of arrangement under Sections 230 to 232 of the Companies Act, 2013 ("Scheme"), to demerge the Consumer Healthcare Division of the Company into its wholly-owned subsidiary Sanofi Consumer Healthcare India Limited ("SCHIL /Resulting Company").

The Company has received letters from BSE Limited and National Stock Exchange of India Limited dated September 22, 2023 granting no objection to the Scheme. Requisite application has been filed with National Company Law Tribunal, Mumbai on September 29, 2023.

The statutory auditors have digitally signed this statement for identification purposes only and this Statement should be read in conjunction with the review report dated November 8, 2023

**ARUNKUMAR RAMDAS** Digitally signed by  
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November 8, 2023

SANOFI INDIA LIMITED

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**VAIBHAV KARANDIKAR**  
**WHOLE TIME DIRECTOR & CFO**  
**DIN: 09049375**



## Price Waterhouse & Co Chartered Accountants LLP

### Review Report

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

1. We have reviewed the unaudited consolidated financial results of Sanofi India Limited (the "Parent") and its subsidiary (the parent and its subsidiary hereinafter referred to as the "Group") (refer Note 1 on the Statement) for the quarter ended September 30, 2023 and the year to date results for the period January 01, 2023 to September 30, 2023 which are included in the accompanying Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended September 30, 2023 (the "Statement"). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been digitally signed by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and has been 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. 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. 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 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 SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



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 Mumbai - 400 028*

*T: +91(22) 66691500, F: +91(22) 66547804 / 07*

Registered office and Head office: Plot No. 56 & 57, Block DN, Sector-V, Salt Lake, Kolkata 700 091

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)



**Price Waterhouse & Co Chartered Accountants LLP**

4. The Statement includes the results of the following subsidiary:
  - a. Sanofi Consumer Healthcare India Limited (with effect from May 10, 2023 being the date of incorporation)
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 has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

**ARUNKUMAR  
RAMDAS**

Arunkumar Ramdas  
Partner  
Membership Number: 112433  
UDIN: 23112433BGYPF1952

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ARUNKUMAR RAMDAS  
Date: 2023.11.08 16:47:42  
+05'30'

Place: Mumbai  
Date: November 8, 2023



**SANOFI INDIA LIMITED**

Registered Office : Sanofi House,C.T.S No - 117-B, L & T Business Park, Saki Vihar Road, Powai, Mumbai 400 072.  
 Corporate Identity Number: L24239MH1956PLC009794  
 Tel no: (91-22) 28032000 Fax No: (91-22) 28032846  
 Website: www.sanofiindia.com Email: igrc.sil@sanofi.com

**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2023**

Particulars	Quarter ended 30.09.2023 (Unaudited)	Quarter ended 30.06.2023 (Unaudited)	Nine months ended 30.09.2023 (Unaudited)
1. Revenue from Operations	7,146	7,061	21,572
2. Other Income	118	157	533
3. Total Income (1+2)	7,264	7,218	22,105
4. Expenses			
(a) Cost of Materials Consumed	1,310	1,544	4,309
(b) Purchases of stock in trade	3,952	1,885	7,944
(c) Changes in Inventories of work-in-progress, stock-in-trade and finished goods	(2,264)	(266)	(3,046)
(d) Employee benefits expense	932	937	2,787
(e) Finance costs	3	7	13
(f) Depreciation and amortisation expense	99	98	294
(g) Other expenses	1,134	1,179	3,415
Total Expenses	5,166	5,384	15,716
5. Profit before exceptional items and tax (3-4)	2,098	1,834	6,389
6. Exceptional item (Refer note 4)	-	-	178
7. Profit before tax (5+6)	2,098	1,834	6,567
8. Tax expense			
Current Tax	586	613	1,937
Deferred Tax	(7)	(8)	(22)
9. Profit for the period (7-8)	1,519	1,229	4,652
10. Other comprehensive income (OCI) (Net of Tax)	-	-	-
11. Total comprehensive income for the period (9+10)	1,519	1,229	4,652
12. Paid-up equity share capital (Face Value of ₹ 10 per share)	-	230	230
13. Other equity	-	-	-
14. Basic and diluted earnings per share (not annualised)	65.95	53.37	201.99

The statutory auditors have digitally signed this statement for identification purposes only and this Statement should be read in conjunction with the review report dated November 8, 2023

**ARUNKUMAR  
RAMDAS**

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ARUNKUMAR RAMDAS  
Date: 2023.11.08 16:48:08  
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**VAIBHAV  
VINAYAK  
KARANDIKAR**

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VAIBHAV VINAYAK  
KARANDIKAR  
Date: 2023.11.08 16:30:08  
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**Notes:**

1. The Consolidated financial results include the results for Sanofi India Limited (the "Company") and its subsidiary Sanofi Consumer Healthcare India Limited. The Company and its subsidiary are together referred as 'the Group' (Refer notes 6 & 7 below).
2. The above Consolidated Results have been reviewed by the Audit Committee at its meeting held on November 8, 2023 and approved by the Board of Directors of the Company at its Meeting held on November 8, 2023. The statutory auditors have carried out a limited review of the above results for the quarter ended September 30, 2023.
3. This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), prescribed under section 133 of the Companies Act, 2013, and other recognized accounting practices and policies to the extent applicable.
4. Exceptional Item for the nine months ended September 30, 2023 includes profit on sale of property amounting to ₹255 million offset by personnel separation cost amounting to ₹77 million.
5. The Group has a single business segment namely 'Pharmaceutical Business'.
6. The Board of Directors ("Board") of the Company on May 10, 2023 have approved a scheme of arrangement under Sections 230 to 232 of the Companies Act, 2013 ("Scheme"), to demerge the Consumer Healthcare Division of the Company into its wholly-owned subsidiary Sanofi Consumer Healthcare India Limited ("SCHIL /Resulting Company"). Pursuant to this, the Company has invested an amount of ₹ 20 million in its wholly owned subsidiary Sanofi Consumer Healthcare India Limited for 100% stake in the form of Equity Shares.

The Company has received letters from BSE Limited and National Stock Exchange of India Limited dated September 22, 2023 granting no objection to the Scheme. Requisite application has been filed with National Company Law Tribunal, Mumbai on September 29, 2023.

7. Effective quarter ended June 30, 2023, the Company has prepared and presented the consolidated financial results, for investment in SCHIL as set out in note 6. Accordingly, previous periods' / years' figures are not applicable and therefore not provided in accordance with the applicable accounting standards. Consolidated financial results for the quarter and nine months ended September 30, 2023 includes financial results of SCHIL with effect from May 10, 2023 being its date of incorporation. There are no operations in SCHIL during the period.

The statutory auditors have digitally signed this statement for identification purposes only and this Statement should be read in conjunction with the review report dated November 8, 2023

**ARUNKUMAR RAMDAS**  
Digitally signed by  
**ARUNKUMAR RAMDAS**  
Date: 2023.11.08  
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November 8, 2023

SANOFI INDIA LIMITED

VAIBHAV  
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VINAYAK KARANDIKAR  
Date: 2023.11.08 16:31:08  
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**VAIBHAV KARANDIKAR**  
**WHOLE TIME DIRECTOR & CFO**  
**DIN: 09049375**



## Annexure 4

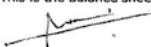
**Sanofi Consumer Healthcare India Limited**  
**Balance Sheet as at June 30, 2023**

Confidential - Sensitive

Particulars	As at June 30, 2023
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	-
Capital work-in-progress	-
Goodwill	-
Intangible assets	-
Intangible assets under development	-
Investment in Subsidiary	-
Financial assets	-
i. Loans	-
ii. Other financial assets	-
Income tax assets (net)	-
Other non-current assets	-
<b>Total non-current assets</b>	<b>-</b>
<b>Current assets</b>	
Inventories	-
Financial assets	-
i. Trade receivables	-
ii. Cash and cash equivalents	20
iii. Bank balances other than (ii) above	-
iv. Loans	-
v. Other financial assets	-
Other current assets	-
	<b>20</b>
Assets classified as held for sale	-
<b>Total current assets</b>	<b>20</b>
<b>TOTAL ASSETS</b>	<b>20</b>
<b>EQUITY AND LIABILITIES</b>	
<b>Equity</b>	
Equity share capital	20
<b>Other equity</b>	<b>-</b>
Reserves and surplus	-
<b>Total equity</b>	<b>20</b>
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
Financial liabilities	-
Lease liabilities	-
Employee benefit obligations	-
Deferred tax liabilities (net)	-
<b>Total non-current liabilities</b>	<b>-</b>
<b>Current liabilities</b>	
Financial liabilities	-
i. Lease liabilities	-
ii. Trade payables	-
(a) Total outstanding dues of micro enterprises and small enterprises	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-
iii. Other financial liabilities	-
Provisions	-
Employee benefit obligations	-
Current tax liabilities (net)	-
Other current liabilities	-
	<b>-</b>
Liabilities directly associated with assets classified as held for sale	-
<b>Total current liabilities</b>	<b>-</b>
<b>Total liabilities</b>	<b>-</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>20</b>

The above balance sheet should be read in conjunction with the accompanying notes.

This is the balance sheet referred to in our report of even date



**Makarand Kulkarni**  
 Director  
 DIN: 10156793  
 Place: Mumbai  
 Date: August 10, 2023



**Jagruti Kapadane**  
 Director  
 DIN: 10156794  
 Place: Mumbai  
 Date: August 10, 2023



**Sanofi Consumer Healthcare India Limited**

Confidential - Sensitive

**Statement of changes in equity for the half year ended June 30, 2023**

<b>A. Equity share capital</b>		(₹ in Million)
<b>Particulars</b>		<b>Amount</b>
<b>As at January 1, 2022</b>		-
Changes in equity share capital		-
<b>As at December 31, 2022</b>		-
Changes in equity share capital		20
<b>As at June 30, 2023</b>		<b>20</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

This is the statement of changes in equity referred to in our report of even date



**For and on behalf of the Board of Directors**

**Makarand Kulkarni**  
 Director  
 DIN: 10156793  
 Place: Mumbai  
 Date: August 10, 2023

**Jagruti Kapadane**  
 Director  
 DIN: 10156794  
 Place: Mumbai  
 Date: August 10, 2023



Confidential - Sensitive

**Sanofi Consumer Healthcare India Limited**  
**Statement of Cash Flows for the half year ended June 30, 2023**

Particulars	Half year ended June 30, 2023
<b>Cash flow From operating activities</b>	
<b>Profit before tax</b>	-
<b>Adjustment for :</b>	
Depreciation and amortization expenses	-
Unrealised exchange Loss (net)	-
Net Gain /Loss on termination/retirement of lease	-
Finance costs	-
Interest income	-
Share based payment	-
Provision for bad and doubtful debts (net)	-
Provision for doubtful advances and deposits (net)	-
Provision no longer required written back	-
<b>Operating profit before working capital changes</b>	-
<b>Adjustments for (increase) / decrease in operating assets</b>	
Non-current financial assets	-
Other non-current assets	-
Inventories	-
Trade receivables	-
Current financial assets	-
Other current assets	-
<b>Adjustments for increase / (decrease) in operating liabilities</b>	
Employee benefit obligations	-
Trade payables	-
Current financial liabilities	-
Other current liabilities & provisions	-
<b>Cash generated from operations</b>	-
Taxes paid (net of refunds)	-
<b>Net Cash inflow from operating activities (A)</b>	-
<b>Cash flow from Investing activities</b>	
Interest received	-
Loan given	-
Repayment of loan	-
Purchase of property, plant and equipment and Intangible assets	-
<b>Net cash inflow from investing activities (B)</b>	-
<b>Cash flow from financing activities</b>	
Issue of Equity Shares	20
Principal elements of lease payments	-
Interest paid	-
Dividend paid	-
<b>Net cash outflow from financing activities (C)</b>	20
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	20
Effect of Exchange differences on cash and cash equivalents held in foreign currency	*
Cash and Cash Equivalents at the beginning of the year	-
<b>Cash and Cash Equivalents at the end of the year</b>	20
<b>Non- cash financing and investing activities (D)</b>	
Acquisition of Right-of-use assets	-
<b>Components of Cash and Cash Equivalents</b>	
<b>Cash and Cash Equivalents (as per Note 13)</b>	20

\* denotes figure less than a million.

Notes:

1.The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 Statement of Cash Flows.

The above statement of cash flows should be read in conjunction with the accompanying notes.

This is the statement of cash flows referred to in our report of even date

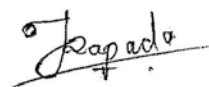


**For and on behalf of the Board of Directors**

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**Makarand Kulkarni**  
Director  
DIN: 10156793  
Place: Mumbai  
Date: August 10, 2023



**Jagruti Kapadane**  
Director  
DIN: 10156794  
Place: Mumbai  
Date: August 10, 2023



**Sanofi Consumer Healthcare India Limited**

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Notes forming part of financial statements as at and for the quarter ended June 30, 2023

**19 - Share capital and other equity****19 (a) - Equity share capital**

## (i) Authorised share capital

Particulars	Number of shares	Amount	(₹ in Million)
			Amount
As at January 1, 2022	-	-	-
Increase during the year	-	-	-
As at December 31, 2022	-	-	-
Shares Issued during the Year	2,000,000	20	20
As at June 30, 2023	<b>2,000,000</b>	<b>20</b>	<b>20</b>

**Issued, Subscribed and Paid up :**

## (ii) Movements in equity share capital

Particulars	Number of shares	Amount	Amount
			Amount
As at January 1, 2022	-	-	-
Issued during the year	-	-	-
As at December 31, 2022	-	-	-
Issued during the year	2,000,000	20	20
As at June 30, 2023	<b>2,000,000</b>	<b>20</b>	<b>20</b>

## (iii) Terms and rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholder.

## (iv) Shares held by holding and ultimate holding Company

2,000,000 (December 31, 2022 : 0) equity shares of ₹ 10 each fully paid are held by Sanofi India Limited, holding Company

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

Particulars	June 30, 2023	December 31, 2022
Equity shares of Rs. 10 each fully paid		
Sanofi India Limited		
- No of shares	2,000,000	
- % of holding	100.00%	



## Annexure 5

**Details of the assets and liabilities of each of the Demerged Company and the Resulting Company, pre and post the Scheme**

*Rs in Crores*

Particulars	Demerged Company		Demerged Undertaking	Resulting Company	
	(Pre)	(Post)		(Pre)	(Post)
Assets	2225	2121	103	2	113
Liabilities	757	666	90	-	90
<b>Total</b>	<b>2982</b>	<b>2787</b>	<b>193</b>	<b>2</b>	<b>203</b>




## Annexure 6



DCS/AMAL/PB/R37/2910/2023-24

September 22, 2023

The Company Secretary,  
**Sanofi India Limited**  
 Sanofi House, 117-B, L&T Business Park, Saki Vihar Road,  
 Powai, Mumbai, Maharashtra, 400072

**Sub: Observation letter regarding the Scheme of Arrangement among Sanofi India Limited and Sanofi Consumer Healthcare India Limited and their respective shareholders and creditors.**

We are in receipt of the Scheme of Arrangement among Sanofi India Limited and Sanofi Consumer Healthcare India Limited and their respective shareholders and creditors filed by Sanofi India Limited as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 and Regulation 94(2) of SEBI (LODR) Regulations 2015; SEBI vide its letter dated September 22, 2023 has inter alia given the following comment(s) on the draft Scheme of Arrangement:

- A. "Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- B. "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- C. "Company shall ensure compliance with the SEBI circulars issued from time to time."
- D. "The entities involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company"
- E. "Company is advised that the information pertaining to all the Unlisted Companies involved, if any, in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- F. "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- G. "Company is advised that the details of the proposed scheme under consideration as provided by Company to the Stock Exchange shall be prominently disclosed in the notice sent to the shareholders."
- H. Both the Companies are advised to disclose additionally the following as a part of the Explanatory Statement or notice or proposal accompanying resolution to be passed to be forwarded by the Company to its shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013
  - Details of assets and liabilities of Demerged Company, pre and post demerger
  - Details of assets and liabilities of Resulting Company, pre and post demerger.
  - Pre and post demerger net worth of Demerged Company and Resulting Company.
  - Impact of scheme on revenue generating capacity of Demerged Company
  - Comparison of revenue and net worth of demerged undertaking with total revenue and net worth of listed/demerged entity in last three financial years.
  - Need for the demerger, Rationale of the scheme, Synergies of business of the entities involved in the scheme, Impact of the scheme on the shareholders and cost benefit analysis of the scheme.



- The pre scheme and post scheme shareholding of the members of promoter and promoter group (individual).
- Comparison of revenue and net worth of demerged undertaking with total revenue and net worth of listed/demerged entity in last three financial years.
- I. "Company is advised that the proposed equity shares to be issued in terms of the 'Scheme' shall mandatorily be in demat form only."
- J. "Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
- K. "Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."
- L. "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company is obliged to bring the observations to the notice of Hon'ble NCLT."
- M. "Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
- N. "It is to be noted that the petitions are filed by the company before Hon'ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the Company to the shareholders, while seeking approval of the scheme, it shall disclose Information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

However, the listing of equity shares of Sanofi Consumer Healthcare India Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular. No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. Further, Sanofi Consumer Healthcare India Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Company shall fulfill the Exchange's criteria for listing the securities of such Company and also comply with other applicable statutory requirements. However, the listing of shares of Sanofi Consumer Healthcare India Limited is at the discretion of the Exchange. In addition to the above, the listing of Sanofi Consumer Healthcare India Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Sanofi Consumer Healthcare India Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange.

END - PUBLIC

- Further, the Companies are also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all details of Sanofi Consumer Healthcare India Limited in line with the details required as per the aforesaid SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.
  3. To disclose all the material information about Sanofi Consumer Healthcare India Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.
  4. The following provisions shall be incorporated in the scheme:
    - "The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange."
    - "There shall be no change in the shareholding pattern of Sanofi Consumer Healthcare India Limited between the record date and the listing which may affect the status of this approval."

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations do not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

  
Prasad Bhide  
Senior Manager

  
Marian Dsouza  
Senior Manager



## Annexure 7



## National Stock Exchange Of India Limited

Ref: NSE/LIST/2023/35789\_I

September 22, 2023

The Company Secretary  
Sanofi India Limited  
Sanofi House, CTS No.117-B,  
L&T Business Park, Saki Vihar Road,  
Powai, Mumbai - 400072

**Kind Attn.: Ms. Radhika Kartik Shah**

Dear Madam,

**Sub: Observation Letter for Draft Scheme of Arrangement among Sanofi India Limited (“Demerged Company” or “SIL”) and Sanofi Consumer Healthcare India Limited (“Resulting Company” or “SCHIL”) and their respective shareholders and creditors.**

We are in receipt for Draft Scheme of Arrangement among Sanofi India Limited (“Demerged Company” or “SIL”) and Sanofi Consumer Healthcare India Limited (“Resulting Company” or “SCHIL”) and their respective shareholders and creditors vide application dated May 27, 2023.

Based on our letter reference no. NSE/LIST/35789 dated September 01, 2023, submitted to SEBI pursuant to SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20,2023 and Regulation 94(2) of SEBI (LODR) Regulations, 2015, SEBI vide its letter dated September 22, 2023, has inter alia given the following comment(s) on the draft scheme of arrangement:

- a. *Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters, and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b. *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the stock exchange, from the date of receipt of this letter, is displayed on the websites of the listed Company and the stock exchanges.*
- c. *The entities involved in the scheme shall duly comply with various provisions of the circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*
- d. *Company shall ensure that information pertaining to all the Unlisted Companies involved, if any, in the scheme, shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- e. *Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- f. *Company shall ensure that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the shareholders.*

This Document is Digitally Signed

Signer: DIPTI VIPIL CHINCHHEDE  
Date: Fri, Sep 22, 2023 18:09:53 IST  
Location: NSE



National Stock Exchange of India Limited | Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051,  
India +91 22 26598100 | www.nseindia.com | CIN U67120MH1992PLC069769





- g. Companies shall disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013.
- *Details of the Assets, Liabilities of Demerged Company, pre and post demerger.*
  - *Details of the Assets, Liabilities of Resulting Company, pre and post demerger.*
  - *Pre and post demerger net worth of Demerged Company and Resulting Company.*
  - *Impact of scheme on revenue generating capacity of Demerged Company.*
  - *Comparison of revenue and net worth of demerged undertaking with total revenue and net worth of listed/demerged entity in last three financial years.*
  - *Need for the demerger, Rationale of the scheme, Synergies of business of the entities involved in the scheme, impact of the scheme on the shareholders and cost benefit analysis of the scheme.*
  - *The pre scheme and post scheme shareholding of the members of promoter and promoter group (individual).*
  - *Comparison of revenue and net worth of demerged undertaking with total revenue and net worth of listed/demerged entity in last three financial years.*
- h. *Company shall ensure that the proposed equity shares to be issued in terms of the “Scheme” shall mandatorily be in demat form only.*
- i. *Company shall ensure that the “Scheme” shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- j. *Company shall ensure that no changes to the draft scheme except those mandated by the regulators/authorities/tribunals shall be made without specific written consent of SEBI.*
- k. *Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- l. *Company shall ensure that all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.*
- m. *It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

**It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.**

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the Circular.



Signer: DIPTI VIPIL CHINCHHEDE  
Date: Fri, Sep 22, 2023 18:09:53 IST  
Location: NSE



Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

The Company should also fulfil the Exchange’s criteria for listing of such company and also comply with other applicable statutory requirements. However, the listing of shares of Sanofi Consumer Healthcare India Limited is at the discretion of the Exchange.

The listing of Sanofi Consumer Healthcare India Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Sanofi Consumer Healthcare India Limited and its group companies in line with the disclosure requirements applicable for public issues with National Stock Exchange of India Limited (“NSE”) for making the same available to the public through website of the companies. The following lines must be inserted as a disclaimer clause in the Information Memorandum:

***“The approval given by the NSE should not in any manner be deemed or construed that the Scheme has been approved by NSE; and/ or NSE does not in any manner warrant, certify or endorse the correctness or completeness of the details provided for the unlisted Company; does not in any manner take any responsibility for the financial or other soundness of the Sanofi Consumer Healthcare India Limited, its promoters, its management etc.”***

2. To publish an advertisement in the newspapers containing all the information Sanofi Consumer Healthcare India Limited in line with the details required as per SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20,2023. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.
3. To disclose all the material information about Sanofi Consumer Healthcare India Limited to NSE on continuous basis to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations, 2015 for disclosures about the subsidiaries.
4. The following provision shall be incorporated in the scheme:

(a) “The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.”

(b) “There shall be no change in the shareholding pattern or control in Sanofi Consumer Healthcare India Limited between the record date and the listing which may affect the status of this approval.”

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

This Document is Digitally Signed



Signer: DIPTI VIPIL CHINCKHEDE  
Date: Fri, Sep 22, 2023 18:09:53 IST  
Location: NSE





Continuation Sheet

The validity of this “Observation Letter” shall be six months from September 22, 2023, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

**The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.**

Yours faithfully,  
For National Stock Exchange of India Limited

Dipti Chinchkhede  
Senior Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL: <https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

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Signer: DIPTI VIPII CHINCHKHEDE  
Date: Fri, Sep 22, 2023 18:09:53 IST  
Location: NSE

# Annexure 8 Part A

SANOFI CONSUMER HEALTHCARE INDIA LIMITED																			
Pre-Scheme Shareholding Pattern (Without PAN)																			
This is pre-scheme shareholding pattern filed as per the requirements of Stock Exchanges prescribed in accordance with SEBI Master Circular dated November 23, 2021 relating to Schemes of Arrangement by Listed entities.																			
<b>Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015</b>																			
1.	Name of Entity: Sanofi Consumer Healthcare India Limited																		
2.	Scrip Code/Name of Scrip/Class of Security: Equity Shares																		
3.	Share Holding Pattern Filled under: Reg. 31																		
4.	Declaration: The entity is required to submit the following declaration to the extent of submission of information:-																		
	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Yes*</th> <th>No*</th> </tr> </thead> <tbody> <tr> <td>1 Whether the Entity has issued any partly paid up shares?</td> <td></td> <td>No</td> </tr> <tr> <td>2 Whether the Entity has issued any Convertible Securities or Warrants?</td> <td></td> <td>No</td> </tr> <tr> <td>3 Whether the Entity has any shares against which depository receipts are issued?</td> <td></td> <td>No</td> </tr> <tr> <td>4 Whether the Entity has any shares in locked-in?</td> <td></td> <td>No</td> </tr> <tr> <td>5 Whether any shares held by promoters are pledge or otherwise encumbered?</td> <td></td> <td>No</td> </tr> </tbody> </table>	Particulars	Yes*	No*	1 Whether the Entity has issued any partly paid up shares?		No	2 Whether the Entity has issued any Convertible Securities or Warrants?		No	3 Whether the Entity has any shares against which depository receipts are issued?		No	4 Whether the Entity has any shares in locked-in?		No	5 Whether any shares held by promoters are pledge or otherwise encumbered?		No
Particulars	Yes*	No*																	
1 Whether the Entity has issued any partly paid up shares?		No																	
2 Whether the Entity has issued any Convertible Securities or Warrants?		No																	
3 Whether the Entity has any shares against which depository receipts are issued?		No																	
4 Whether the Entity has any shares in locked-in?		No																	
5 Whether any shares held by promoters are pledge or otherwise encumbered?		No																	
* If the Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.	* If the Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.																		



*(Signature)*

**Sanofi Consumer Healthcare India Limited**  
Table I - Summary Statement holding of specified securities

Category	(i)	Nos. of sharehold up equity shares held	(iv)	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of shares held by Depository	No. of shares held by Receipts	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculate as per SCRR, 1957) (VIII) As a % of (VII)	Number of Voting Rights held in each class of securities		Total as a % of (A+B+C)	Shares Underlying Outstanding convertible securities (including securities convertible assuming full conversion) (X)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form (XIV)
										Class eg: X	Class eg: Y			As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	
(A) Promoter & Promoter Group	7*	2000000	0	2000000	0	0	0	2000000	100	2000000	0	100	0	0	0	0	0	0
(B) Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C) Non Promoter - Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C1) Shares Underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2) Shares Held By Employee Trust	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	7	2000000	0	2000000	0	0	0	2000000	100	2000000	0	100	0	0	0	0	0	0

\* 6 nominees holding 1 equity share each on behalf of Sanofi India Limited (SIL).



*(Handwritten signature)*

**Sanofi Consumer Healthcare India Limited**  
**Table 1 - Statement showing shareholding pattern of the Promoter and Promoter Group**

Category & Name of the shareholders	Nos. of shares held	No. of fully paid up equity shares	Partly paid up equity shares	No. of shares held in demat	Total no. shares held	Shareholding % as per Section 87(1) of the Companies Act, 2013	Number of voting rights held in each class of securities		No. of shares underlying Outstanding convertible securities	Shareholding % as a % of total voting rights	Number of shares pledged or otherwise encumbered	Shareholding % of total shares	Shareholding % of total shares	Shareholding % of total shares
							Equity Shares	Preference Shares						
1. Individuals	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(A) Charakdas Prasad	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
Individuals / Hindu Undivided Family	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
Sonal Ghosh	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
Rupendra Sridhar	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
Shilpa Anand	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
Sudha Anand	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
Jagriti Kapadia	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(B) Central Government / State Government(s)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(C) Financial Institutions / Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(D) Insurance Companies	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(E) Sovereign Wealth Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(F) Mutual Funds	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(G) Foreign	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(H) Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(I) Government	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(J) Entities (Publicly Traded)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(K) Any Other (Specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(L) Bodies Corporate	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(M) Subsidiaries	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(N) Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(O) Other (Specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(P) Total (A)-(O)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00
(Q) Total (A)-(O) (Shareholding of Promoter and Promoter Group (A)-(Q))	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0.00	0.00

Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

Note: (1) PAN would not be displayed on website of Stock Exchanges (2) The term 'Encumbrance' has the same meaning as assigned under regulation 28(B) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.



*(Signature)*



**Sanofi Consumer Healthcare India Limited**  
**Table III - Statement showing shareholding pattern of the Public shareholder**

Category & Name of the shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Shareholding % calculated as per SCRR, 1957 As a % of All Issued Shares	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (As a percentage of All Issued Shares)	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Members of Shares held in dematerialised form	Sub-category of shares	
						Class A / Total Voting Rights	Class B / Total Voting Rights						As a % of Total Shares	As a % of Total Shares
1. Institutions (Domestic)														
(a) Mutual Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c) Alternate Investment Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d) Banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Insurance Companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Pension Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Asset Reconstruction Companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Sovereign Wealth Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(i) NBFCs registered with RBI	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(j) Other Financial Institutions	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(k) Any Other (Specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(l) Sub Total (B)(1)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2. Institutions (Foreign)														
(a) Foreign Direct Investment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c) Sovereign Wealth Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d) Foreign Portfolio Investors Category I	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Foreign Portfolio Investors Category II	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Overseas Depositor/Holding DRs (balancing figure)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Any Other (Specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Sub Total (B)(2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3. Central Government / State Government(s)														
(a) Central Government / President of India	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b) State Government / Governor	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c) Shareholding by Companies or Bodies Composite where Central / State Government is a promoter	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d) Sub Total (B)(3)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4. Non-Institutions														
(a) Associate companies / Subsidiaries	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Directors and their relatives (excluding Independent Directors and nominee Directors)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c) Key Managerial Personnel	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d) Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Investor Education and Protection Fund (IEPF) Capital up to Rs. 2 lakhs.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(g) I. Resident Individual holding nominal share	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(h) II. Resident Individual holding nominal share	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(i) Non-Resident Indians (NRIs)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(j) Foreign Nationals	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(k) Bodies Corporate	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(l) Any Other (Specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(m) Sub Total (B)(4)	0	0	0	0	0	0	0	0	0	0	0	0	0	0





**Sanofi Consumer Healthcare India Limited**  
**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

Category & Name of the shareholders	(i)	(ii)	Nos. of sharehold-ers	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV) + (V) + (VI)	Sharehold- ing % calculated as per SCRR, 1957 As a % of (A+B+C2) X (VIII) As a % of (VII) As a	Number of Voting Rights held in each class of securities		Shares Underlyin- g Outstanding convertible securities (including securities held(b)) (X)	ing, as a % assuming full conversion of convertible securities (XI) = (X) / (VII) * 100	Number of Locked In shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form (XIV)
									No of Voting Rights Class eg: X	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
1 Custodian/DR Holder Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2 Total Non-Promoter- Non Public Shareholding (C) = (C1)+(C)(2)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Note :

- (1) PAN would not be displayed on website of Stock Exchange(s).
- (2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Column no.(XIII) is not applicable in the above format.
- (3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.



# Annexure 8 Part A

<b>SANOFI CONSUMER HEALTHCARE INDIA LIMITED</b>																			
Post-Scheme Shareholding Pattern (Without PAN)																			
This is post-scheme shareholding pattern filed as per the requirements of Stock Exchanges prescribed in accordance with SEBI Master Circular dated November 23, 2021 relating to Schemes of Arrangement by Listed entities. This shareholding pattern is based on the shareholding data of Sanofi India Limited (Demerged Company) as on 12th May 2023																			
<b>Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015</b>																			
<b>1.</b>	<b>Name of Listed Entity:</b> Sanofi Consumer Healthcare India Limited																		
<b>2.</b>	<b>Scrp Code/Name of Scrip/Class of Security:</b> Equity Shares																		
<b>3.</b>	<b>Share Holding Pattern Filed under:</b> Reg. 31																		
	<b>a.</b> if under 31(1)(b) then indicate the report as on 12th May, 2023																		
	<b>b.</b> if under 31(1)(c) then indicate date of allotment/extinguishment																		
<b>4.</b>	<b>Declaration:</b> The Listed entity is required to submit the following declaration to the extent of submission of information:-																		
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;">Particulars</th> <th style="width: 10%;">Yes*</th> <th style="width: 10%;">No*</th> </tr> </thead> <tbody> <tr> <td>1 Whether the Listed Entity has issued any partly paid up shares?</td> <td></td> <td>No</td> </tr> <tr> <td>2 Whether the Listed Entity has issued any Convertible Securities or Warrants?</td> <td></td> <td>No</td> </tr> <tr> <td>3 Whether the Listed Entity has any shares against which depository receipts are issued?</td> <td></td> <td>No</td> </tr> <tr> <td>4 Whether the Listed Entity has any shares in locked-in?</td> <td></td> <td>No</td> </tr> <tr> <td>5 Whether any shares held by promoters are pledged or otherwise encumbered?</td> <td></td> <td>No</td> </tr> </tbody> </table>	Particulars	Yes*	No*	1 Whether the Listed Entity has issued any partly paid up shares?		No	2 Whether the Listed Entity has issued any Convertible Securities or Warrants?		No	3 Whether the Listed Entity has any shares against which depository receipts are issued?		No	4 Whether the Listed Entity has any shares in locked-in?		No	5 Whether any shares held by promoters are pledged or otherwise encumbered?		No
Particulars	Yes*	No*																	
1 Whether the Listed Entity has issued any partly paid up shares?		No																	
2 Whether the Listed Entity has issued any Convertible Securities or Warrants?		No																	
3 Whether the Listed Entity has any shares against which depository receipts are issued?		No																	
4 Whether the Listed Entity has any shares in locked-in?		No																	
5 Whether any shares held by promoters are pledged or otherwise encumbered?		No																	
	<p>* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.</p>																		



Sanofi Consumer Healthcare India Limited  
Table 1 - Summary Statement holding of specified securities

Category	(A)	No. of shares held	(B)	No. of fully paid up equity shares held	(C)	No. of shares underlying Depository Receipts	Shareholding as a % of total no. of shares (calculate as per SCRR, 1957)	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securities (including convertible securities)	Number of Locked in shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form				
								Class eg: X	Class eg: Y					No. (a)	As a % of total Shares held(b)	No. (b)	As a % of total Shares held(b)
Promoter & Promoter Group	2	13909587	0	0	0	0	60.3961	0	0	0	0	0	13909587				
Public	79352	9121035	0	0	0	0	39.6039	0	0	0	0	0	9030571				
Non Promoter - Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0				
Shares Underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0				
Shares Held By Employees Trust	0	0	0	0	0	0	0	0	0	0	0	0	0				
<b>Total</b>	<b>79354</b>	<b>23030622</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100</b>	<b>23030622</b>	<b>0</b>	<b>23030622</b>	<b>0</b>	<b>0</b>	<b>22940158</b>				

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Table III - Statement showing shareholding pattern of the Public shareholder

Sl. No.	Category & Name of the shareholders	Nos. of Shareholder	Nos. of fully paid up equity shares held	Nos. of shares underlying Depository Receipts	Shareholding % calculated as per SCRR, 2007 As a % of (A+B+C)	Number of Voting Rights held in each class of securities		Shareholding as a % assuming all conversions of convertible securities as a percentage of shares then capital [Part (D)(ii) As a % of (D)]	Number of Shares held or otherwise encumbered		Sub-categories of shares	
						Class: 1	Class: 2		Total	As a % of Total Shares	As a % of total Shares	As a % of total Shares
1	Individuals (Domestic)	25	2117317	0	2.117317	2117317	0	2.117317	0	0.00	2117317	0
(A)	Mahesh Taji Nigam Trustee IIF A/C Nigam holds	1	814704	0	8.14704	814704	0	8.14704	0	0.00	814704	0
(B)	Aditya Birla Sun Life Insurance Private Ltd A/C	1	999893	0	9.99893	999893	0	9.99893	0	0.00	999893	0
(C)	Aditya Birla Sun Life Insurance Equity Fund	1	411555	0	4.11555	411555	0	4.11555	0	0.00	411555	0
(D)	SBI Growth Fund	1	12000	0	0.12	12000	0	0.12	0	0.00	12000	0
(E)	Various Capital Funds	2	202	0	0.002	202	0	0.002	0	0.00	202	0
(F)	Ashwini Investment Funds	1	2802117	0	28.02117	2802117	0	28.02117	0	0.00	2802117	0
(G)	Insurance Companies	1	1000000	0	10.00	1000000	0	10.00	0	0.00	1000000	0
(H)	Life Insurance Corporation Of India	1	1000000	0	10.00	1000000	0	10.00	0	0.00	1000000	0
(I)	HDFC Life Insurance Company Limited	1	441379	0	4.41379	441379	0	4.41379	0	0.00	441379	0
(J)	Gravid Insurance Corporation Of India	1	252357	0	2.52357	252357	0	2.52357	0	0.00	252357	0
(K)	Provident Trust/ Pension Funds	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(L)	Alert Reinvestments Companies	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(M)	Sovereign Wealth Funds	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(N)	NFCs registered with RBI	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(O)	Other Financial Institutions	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(P)	Any Other Entity	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(Q)	Sub Total (A)-(P)	0	4451556	0	44.51556	4451556	0	44.51556	0	0.00	4451556	0
(R)	Investments (Foreign)	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(S)	Foreign Direct Investment	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(T)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(U)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(V)	Foreign Portfolio Investors Category I	117	1394425	0	13.94425	1394425	0	13.94425	0	0.00	1394425	0
(W)	Foreign Portfolio Investors Category II	11	5387	0	0.05387	5387	0	0.05387	0	0.00	5387	0
(X)	Overseas Depositor/Holding Co./ (Including AIFs)	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(Y)	Any Other Entity	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(Z)	Sub Total (R)-(Y)	0	1427257	0	14.27257	1427257	0	14.27257	0	0.00	1427257	0
(AA)	Central Government/State Government/Local Government/Provision of India	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(AB)	State Government / Territory	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(AC)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(AD)	Sub Total (AA)-(AC)	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(AE)	Non institutions	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(AF)	Associate companies / Subsidiaries	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(AG)	Directors and their relatives (including Independent Directors and members Directors)	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(AH)	Key Managerial Personnel	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(AI)	Relatives of promoters (other than "immediate relatives" of promoters disclosed under "Promoter and Promoter Group" category)	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(AJ)	Trusts where any person belonging to "Promoter and Promoter Group" category is "Trustee", "Beneficiary", or "holder of the trust"	1	41048	0	0.41048	41048	0	0.41048	0	0.00	41048	0
(AK)	Investor Education and Protection Fund (IEPF)	1	220287	0	2.20287	220287	0	2.20287	0	0.00	220287	0
(AL)	I. Resident individual holding nominal share capital up to Rs. 2 lakhs.	34746	220287	0	2.20287	220287	0	2.20287	0	0.00	220287	0
(AM)	II. Resident individual holding nominal share capital in excess of Rs. 2 lakhs.	1844	251664	0	2.51664	251664	0	2.51664	0	0.00	251664	0
(AN)	Foreign Nationals	0	0	0	0.00	0	0	0.00	0	0.00	0	0
(AO)	Foreign Companies	0	0	0	0.00	0	0	0.00	0	0.00	0	0



**Sanofi Consumer Healthcare India Limited**  
**Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**

Sl. No.	Category & Name of the shareholders	PAN	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) = (vi) + (v)	(viii) As a % of SCRB, Total nos. of shares held (A+B+C2)	Number of Voting Rights held in each class of securities			(ix) = (x) + (xi) + (xii)	(x)	(xi) = (x) + (xi) + (xii)	Number of Locked in shares		(xiii) = (xiii) + (xiv) + (xv)	(xiv)								
											Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held				No. of shares underlying Depository Receipts	Total nos. of shares held			No. of Voting Rights Class eg: X	No. of Voting Rights Class eg: Y	Total % of (A+B+C)	No. (a)	No. (b)	As a % of total Shares held (b)	No. (a)	No. (b)
1	Custodian/DR Holder Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
2	Total Non-Promoter- Non Public Shareholding (C)=				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					

Note :  
 (1) PAN would not be displayed on website of Stock Exchanges.  
 (2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Column no.(xiii) is not applicable in the above format.  
 (3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.

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**Sanofi India Limited**  
**Table 1 - Summary Statement holding of specified securities**

Category	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii) As a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities		No. of Shares Underlying % Definitive Full convertible securities (including convertible securities) Nos. (a) (b)(i)	Number of Locked In shares (b)(ii)	Number of Shares pledged or otherwise encumbered (b)(iii)	Number of equity shares held in dematerialized form (b)(iv)
								Class eg X	Class eg Y				
(A)	Promoter & Promoter Group	1,80,0587	0	1,80,0587	60.3861	1,80,0587	60.3861	0	0	0	0	0	1,80,0587
(B)	Public	9121035	0	9121035	39.6099	9121035	39.6099	0	0	0	0	0	9121035
(C)	Non Promoter - Non Public	0	0	0	0	0	0	0	0	0	0	0	0
(C1)	Shares Underlying OLS	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held By Employees Trust	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Total</b>	<b>79,354</b>	<b>2,93,10,822</b>	<b>2,93,10,822</b>	<b>100</b>	<b>2,93,10,822</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,93,10,822</b>





**Sanofi India Limited**  
**Table II - Statement showing shareholding pattern of the Promoter and Promoter Group**

Sl. No.	Category, Name of the shareholders	Entity Type	No. of shares held	No. of fully paid up equity shares	No. of shares underlying Depository Receipts	No. of shares held in each class of securities	Shareholding % (Based on 1,857,74,346 of Total Shares)	No. of Shares underlying securities convertible into Equity Shares	Shareholding as a % of convertible securities	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held
1	Individuals (Including HUFs)		0	0	0	0	0	0	0	0	0	0
2	Foreign		0	0	0	0	0	0	0	0	0	0
3	Individuals (Non-Resident Individuals / Foreign Individuals)		0	0	0	0	0	0	0	0	0	0
4	Government / Central Government / State Government / Banks		0	0	0	0	0	0	0	0	0	0
5	Any other Depositor / Banks		0	0	0	0	0	0	0	0	0	0
6	Bodies Corporate		1399537	1399537	0	60.3961	0	0	0	0	0	1399537
7	Partnership Firms		1399722	1399722	0	60.3760	0	0	0	0	0	1399722
8	Trusts		4865	4865	0	0.0211	0	0	0	0	0	4865
9	Proxies		0	0	0	0.0000	0	0	0	0	0	0
10	Total (A+B+C+D+E+F+G+H+I+J+K)		2800024	2800024	0	60.3961	0	0	0	0	0	2800024

Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/ unclaimed suspense account, voting rights which are frozen etc.

Note :  
 (1) PAN would not be disclosed in the website of Stock Exchange(s)  
 (2) The term "Encumbrance" has the same meaning as assigned under regulation 24(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.







**Sanofi India Limited**  
Table IV - Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

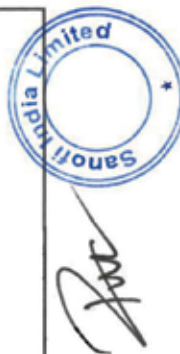
Category & Name of the shareholders	Nos. of Shareholders (iii)	No. of fully paid up equity shares held (iv)	Partly paid-up equity shares held (v)	No. of shares underlying Depository Receipts (vi)	Shareholding % as per SCRR, 1957 As a % of (A+B+C2) (viii) As a	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including securities held) (x)	Shareholding, as a % assuming full conversion of convertible securities (xi) =	Number of Locked shares (xii)	Number of Shares pledged or otherwise encumbered (xiii)	Number of equity shares held in dematerialised form (xiv)				
						Total (ix)	Class eg: Equity (x)	Class eg: Preference (xi)						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)
1 Custodian/DR Holder Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021	(i)	0	0	0	0	0	0	0	0	0	0	0	0				
2 Total Non-Promoter- Non Public Shareholding (C)= (C1)+(C2)		0	0	0	0	0	0	0	0	0	0	0	0				

Note :

(1) PAN would not be displayed on website of Stock Exchange(s).

(2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Column no. (Xiii) is not applicable in the above format.

(3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information available.





## Annexure 9



**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SANOFI INDIA LIMITED AT ITS MEETING HELD ON 10<sup>TH</sup> MAY 2023**

**1. Background.**

Sanofi India Limited ("**Company**") proposes to enter into a scheme of demerger ("**Scheme**") with Sanofi Consumer Healthcare India Limited, a wholly owned subsidiary of the Company, in accordance with the Companies Act, 2013 and pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and the master circular dated 23<sup>rd</sup> November 2021 issued by the Securities and Exchange Board of India ("**SEBI**"), bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665.

Per the provisions of Section 232(2)(c) of the Companies Act, 2013, the Board of Directors of the Company ("**Board**") is to adopt a report explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company laying out in particular the share entitlement ratio, specifying any special valuation difficulties, and such report is to be circulated along with the notice of meeting to the shareholders and creditors. Capitalised terms not defined herein shall have the meaning assigned to them in the Scheme.

This report, in connection with the Scheme, has been accordingly adopted by the Board in compliance with Section 232(2)(c) of the Companies Act, 2013 after considering the following:

- (a) draft Scheme;
- (b) draft Share Entitlement Ratio Report dated 10<sup>th</sup> May 2023 issued by KPMG Valuation Services LLP, Registered Valuers setting out the Demerger Share Entitlement Ratio; and
- (c) Fairness Opinion dated 10<sup>th</sup> May 2023, issued by BofA Securities India Limited, Merchant Bankers.

**2. Scheme Details in Brief.**

The salient features of the draft Scheme are as under:

- (a) The draft Scheme provides for demerger of the Demerged Undertaking from the Company into the Resulting Company.
- (b) The Appointed Date under the Scheme is the Effective Date, subject to the sanction of regulatory authorities (as defined under the Scheme).







- (c) Upon the Scheme becoming effective, all the assets and liabilities and the business pertaining to the consumer healthcare division of the Company shall stand transferred to and vest in the Resulting Company, as a going concern.
- (d) Upon the Scheme becoming effective, 1 fully paid-up equity share of Rs. 10 each of the Resulting Company shall be issued and allotted to the equity shareholders of the Company for every 1 equity share of Rs. 10 each held in the Company.
- (e) Upon the Scheme becoming effective, the equity shares of Resulting Company held by the Company will stand cancelled on or after the effective date (as set out in the Scheme) by operation of law, without payment of any consideration or any further act or deed by either of the Company and the Resulting Company. Upon the coming into effect of this Scheme, the Resulting Company shall record the assets and liabilities pertaining to the consumer healthcare business of the Company vested in it pursuant to this Scheme (which cease to be the assets and liabilities of the Company), at the respective book values thereof, as appearing in the books of the Company at the close of the day immediately preceding the Effective Date (as set out under the Scheme).

### 3. Rationale for the Scheme

The proposed Scheme would be in the best interests of the Company, upon incorporation, the Resulting Company and their respective shareholders and creditors as the proposed demerger will yield advantages of increased business synergies and unlocking of shareholder value, in the manner set out below:

- (a) separation of the pharmaceutical and consumer healthcare businesses of the Company will allow the Company and the Resulting Company, to have independent and focused management as well as independently pursue different opportunities and strategies for the growth of each respective businesses aligned to specific market dynamics;
- (b) it will enable a different operating model for the consumer healthcare business under the Resulting Company, specific and fit for purpose for a fast-moving consumer healthcare company, which would lead to a greater ability to operate independently and positively shape the consumer healthcare environment;
- (c) the requirements of the businesses of the Company and the Resulting Company, including in terms of operations, nature of risks, competitive advantages and strategies and regulatory compliances are different and the demerger will allow for enhancement of the business models of both the Company and the Resulting Company;



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- (d) the shareholders, investor, analyst community and other stakeholders will have greater understanding and visibility of both the pharmaceutical and consumer healthcare businesses;
- (e) the proposed demerger will not only facilitate pursuit of scale and independent growth plans but also enable more focused management and stronger leverage of specific global resources within the Sanofi group and will also facilitate flexibility in terms of providing liquidity for shareholders (following the listing of the shares of the Resulting Company).
- (f) the proposed demerger will also de-risk both the businesses from each other and allow potential investors and other stakeholders the option of investing in both businesses; and
- (g) the proposed demerger will unlock value for the shareholders of the Company.

#### 4. Effect of the Scheme.

The effect of the proposed Scheme on the stakeholders of the Company would be as follows:

- (a) Equity Shareholders.
  - (i) Promoter and non-promoter shareholders.

Upon the Scheme becoming effective, 1 fully paid-up equity share of Rs. 10 each of the Resulting Company shall be issued and allotted to the equity shareholders of the Company for every 1 equity share of Rs. 10 each held by the shareholders in the Company. In addition, the equity shares of Resulting Company held by the Company will stand cancelled on or after the effective date (as set out in the Scheme) by operation of law, without payment of any consideration or any further act or deed by either of the Company and the Resulting Company.

Set out below is the shareholding pattern of the Resulting Company prior to the Scheme coming into effect and the expected shareholding pattern post-effectiveness of the Scheme on issue and allotment of equity shares to the shareholders of the Company as of the Record Date (as defined in the Scheme):



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Shareholding pattern pre-Scheme coming into effect.			
S. No.	Category of the shareholder	Number of shares held	% of shareholding
1.	Promoter (i.e., the Company, Sanofi India Limited along with its nominee shareholders)	20,00,000	100%
<b>Total</b>		20,00,000	100%
Shareholding pattern post-Scheme coming into effect			
S. No.	Category of the shareholder	Number of shares held	% of shareholding
1.	Promoter (i.e., the promoters of Sanofi India Limited)	1,39,09,587	60.39%
2.	Public	91,21,035	39.61%
<b>Total</b>		2,30,30,622	100%

## (b) Other classes of shareholders.

The Company has not issued any shares other than equity shares to its shareholders. Accordingly, there are no other classes of shareholders that may be affected by the Scheme.

## (c) Creditors.

No rights of the creditors of the Company are being affected pursuant to the Scheme. The liability towards the creditors of the Company are neither being reduced nor being extinguished. The creditors of the Company would in no way be affected by the Scheme and the Scheme does not provide for any compromise or arrangement with the creditors of the Company.

## (d) Key managerial personnel.

Post effectiveness of the Scheme, the Key Managerial Personnel ("KMP") of the Company will continue as KMPs of the Company. Accordingly, the Scheme shall not have adverse effect on the employment of such KMP.



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### 3. Consideration, share entitlement ratio, and valuation difficulties.

(a) Share entitlement ratio.

Upon the Scheme becoming effective, 1 fully paid-up equity share of Rs. 10 each of the Resulting Company shall be issued and allotted to the equity shareholders of the Company for every 1 equity share of Rs. 10 each held in the Company. In addition, the equity shares of Resulting Company held by the Company will stand cancelled on or after the effective date (as set out in the Scheme) by operation of law, without payment of any consideration or any further act or deed by either of the Company and the Resulting Company.

(b) Draft Share Entitlement Ratio Report.

A draft Share Entitlement Ratio Report dated 10<sup>th</sup> May 2023, recommending the Demerger Share Entitlement Ratio has been issued by KPMG Valuation Services LLP and no special valuation difficulties were reported by KPMG Valuation Services LLP, in the issuance of such report.

By Order of the Board of Directors  
For and on behalf of **Sanofi India Limited**

**ADITYA NARAYAN**  
Chairman

**Place:** Gurugram

**Date:** 10<sup>th</sup> May 2023





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**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SANOFI CONSUMER HEALTHCARE INDIA LIMITED AT ITS MEETING HELD ON 24<sup>TH</sup> MAY 2023.**

**1. Background.**

Sanofi Consumer Healthcare India Limited, a public company incorporated under the Companies Act, 2013 and having its registered office at 2<sup>nd</sup> Floor, Sanofi House, C.T.S-117B, L&T Business Park, Saki Vihar Road, Powai, Mumbai, Maharashtra – 400072 (“the Company”) desires to enter into a Scheme of Arrangement (“Scheme”) with Sanofi India Limited (the “Transferor Company”) pursuant to which the consumer healthcare undertaking of the Transferor Company will be demerged from the Transferor Company and shall vest in and be transferred to the Company (“Proposed Demerger”) (such Transferee Company being a wholly owned subsidiary of the Transferor Company) in accordance with the procedure set out Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Act”) read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the master circular dated 23 November 2021 issued by the Securities and Exchange Board of India (“SEBI”), bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/000000665.

Per the provisions of Section 232(2)(c) of the Companies Act, 2013, the Board of Directors of the Company (“Board”) is required to adopt a report explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company laying out in particular the share entitlement ratio, specifying any special valuation difficulties, and such report is to be circulated along with the notice of meeting to the shareholders and creditors. Capitalised terms not defined herein shall have the meaning assigned to them in the Scheme.

This report, in connection with the Scheme, has been accordingly adopted by the Board in compliance with Section 232(2)(c) of the Companies Act, 2013 after considering the following:

- (a) draft Scheme;
- (b) share entitlement valuation report dated 10 May 2023 issued by KPMG, Chartered Accountant, registered valuers setting out the Demerger Share Entitlement Ratio; and
- (c) fairness opinion dated 10 May 2023, issued by BofA Securities India Limited, merchant bankers.

**2. Scheme Details in Brief.**

The salient features of the draft Scheme are as under:

- (a) The draft Scheme provides for demerger and subsequent transfer and vesting of the Demerged Undertaking from the Transferor Company into the Company.
- (b) The Appointed Date under the Scheme is the Effective Date, subject to the sanction of regulatory authorities (as defined under the Scheme).
- (c) Upon the Scheme becoming effective, all the assets and liabilities and the business pertaining to the consumer healthcare division of the Transferor Company shall stand be transferred to and vest in the Company, as a going concern.
- (d) Upon the Scheme becoming effective, 1 fully paid up equity share of Rs. 10 each of the Company shall be issued and allotted to the equity shareholders of the Transferor Company for every 1 equity share of Rs. 10 each held in the Company.



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- (e) Upon the Scheme becoming effective, the equity shares of Company held by the Transferor Company will stand cancelled on or after the Effective Date (as set out in the Scheme) by operation of law, without payment of any consideration or any further act or deed by either of the Transferor Company and the Company.
- (f) Upon the coming into effect of this Scheme, the Transferor Company shall record the assets and liabilities pertaining to the consumer healthcare business of the Company vested in it pursuant to this Scheme (which cease to be the assets and liabilities of the Company), at the respective book values thereof, as appearing in the books of the Company at the close of the day immediately preceding the Effective Date (as set out under the Scheme).

### 3. Rationale for the Scheme

The proposed Scheme would be in the best interests of the Company, the Transferor Company and their respective shareholders and creditors as the proposed demerger will yield advantages of unlocking of shareholder value, in the manner set out below:

- (a) separation of the pharmaceutical and consumer healthcare businesses of the Company will allow the Transferor Company and the Company, to have independent and focused management as well as independently pursue different opportunities and strategies for the growth of each respective businesses aligned to specific market dynamics;
- (b) it will enable a different operating model for the consumer healthcare business under the Company, specific and fit for purpose for a fast-moving consumer healthcare company, which would lead to a greater ability to operate independently and positively shape the consumer healthcare environment;
- (c) the requirements of the businesses of the Transferor Company and the Company, including in terms of operations, nature of risks, competitive advantages and strategies and regulatory compliances are different and the demerger will allow for enhancement of the business models of both the Company and the Transferor Company;
- (d) the shareholders, investor, analyst community and other stakeholders will have greater understanding and visibility of both the pharma and the consumer healthcare businesses;
- (e) the proposed demerger will not only facilitate pursuit of scale and independent growth plans but also enable more focused management and stronger leverage of specific global resources within the Sanofi group and will also facilitate flexibility in terms of providing liquidity for shareholders (following the listing of the shares of the Company).
- (f) the proposed demerger will also de-risk both the businesses from each other and allow potential investors and other stakeholders the option of investing in both businesses; and
- (g) the proposed demerger will unlock value for the shareholders of the Transferor Company.



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#### 4. Effect of the Scheme.

The effect of the proposed Scheme on the stakeholders of the Transferee Company would be as follows:

##### (a) Equity Shareholders.

##### (i) Promoter and non-promoter shareholders.

Upon the Scheme becoming effective, 1 fully paid up equity shares of Rs. 10 each of the Transferee Company shall be issued and allotted to the equity shareholders of the Transferor Company for every 1 equity shares of Rs. 10 each held in the Transferor Company.

Set out below is the shareholding pattern of the equity shareholders of the Company prior the Scheme coming into effect and post-effectiveness of the Scheme:

Shareholding pattern pre-Scheme coming into effect.			
S. No.	Category of the shareholder	Number of shares held.	% of shareholding.
1.	Promoter (i.e., Sanofi India Limited along with its 6 nominee shareholders)	20,00,000	100%
<b>Total</b>		20,00,000	100%

Shareholding pattern post-Scheme coming into effect.			
S. No.	Category of the shareholder	Number of shares held.	% of shareholding.
1.	Promoter (i.e., the promoters of Sanofi India Limited)	1,39,09,587	60.39%
2.	Public	91,21,035	39.61%
<b>Total.</b>		2,30,30,622	100%



##### (b) Other classes of shareholders.

The Company has not issued any shares other any equity shares to its shareholders. Accordingly, there are no other classes of shareholders that may be affected by the Scheme.

##### (c) Creditors.

The Company is a newly-incorporated company and was incorporated on 10 May 2023. As on date, the Company has not undertaken any borrowings from third parties or the Transferor Company and there are no amounts outstanding as on date. Accordingly, there are no creditors that may be affected by the Scheme.

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# sanofi

- (d) Key managerial personnel.

The Company is a newly-incorporated company and was incorporated on 10 May 2023. As on date, the Company has not appointed any key managerial personnel. Accordingly, there are no key managerial personnel that may be adversely affected by the Scheme.

## 5. Share exchange ratio and valuation difficulties.

- (a) Share entitlement ratio.

Upon the Scheme becoming effective, 1 fully paid-up equity share of Rs. 10 each of the Company shall be issued and allotted to the equity shareholders of the Transferor Company for every 1 equity share of Rs. 10 each held in the Transferor Company. In addition, the equity shares of Company held by the Transferor Company will stand cancelled on or after the Effective date (as set out in the Scheme) by operation of law, without payment of any consideration or any further act or deed by either of the Company and the Transferor Company.

- (b) Valuation report.

A share entitlement ratio report dated 10 May 2023, recommending the Demerger Share Entitlement Ratio has been issued by KPMG Valuation Services LLP and no special valuation difficulties were reported by KPMG Valuation Services LLP in the issuance of such report.

By Order of the Board of Directors  
**For Sanofi Consumer Healthcare India Limited.**



Makarand Kulkarni  
Director  
DIN: 10156793  
Place: Mumbai  
Date: 24<sup>th</sup> May 2023





**REPORT OF THE AUDIT COMMITTEE OF SANOFI INDIA LIMITED DATED 8<sup>TH</sup> MAY 2023 RECOMMENDING THE DRAFT SCHEME OF ARRANGEMENT BETWEEN SANOFI INDIA LIMITED AND SANOFI CONSUMER HEALTHCARE INDIA LIMITED**

The following members of the Audit Committee were present:

- |                        |                                   |
|------------------------|-----------------------------------|
| a. Mrs Usha Thorat     | Chairperson, Independent Director |
| b. Mr. Aditya Narayan  | Independent Director              |
| c. Mr. Rahul Bhatnagar | Independent Director              |
| d. Mrs. Annapurna Das  | Non-Executive Director            |

**Background.**

1. A meeting of audit committee ("**Audit Committee**") was held on May 8<sup>th</sup>, 2023, *inter-alia*, to consider and if thought fit, recommend to the board of directors (the "**Board**") of Sanofi India Limited (the "**Company**"), the proposed scheme of arrangement between the Company and Sanofi Consumer Healthcare India Limited, a proposed wholly owned subsidiary of the Company, that is currently under the process of getting incorporated in accordance with the Act (*defined below*) and for the incorporation of which, Form SPICE + Part B, bearing SRN AA2324875 has been filed with the Ministry of Corporate Affairs ("**Resulting Company**") for the demerger of the consumer healthcare business of the Company and subsequent transfer of such demerged undertaking to the Resulting Company (the "**Scheme**") in the manner set out under Sections 230-232 of the Companies Act 2013, as amended (the "**Act**"), the applicable provisions of the Act between the Company and its members.
2. The draft Scheme will be presented to the jurisdictional National Company Law Tribunal under Section 230 of the Act, the rules and regulations made thereunder and will be in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Regulations**") and the Securities and Exchange Board of India ("**SEBI**") master circular dated 23 November 2021 bearing reference no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 ("**SEBI Master Circular**").
3. The Audit Committee notes and takes on record that subsequent to the incorporation of the Resulting Company, the Board reserves the right to ratify the Scheme by way of a circular resolution passed by the Board.

**Requirement of SEBI Master Circular.**

4. The Audit Committee noted that in terms of the SEBI Master Circular, the Audit Committee of a listed company is required to recommend the draft Scheme to the Board, after taking into consideration *inter-alia*, the draft share entitlement report obtained in relation to the draft Scheme. In addition, the report of the Audit Committee is required to comment on: (a) the need for the demerger; (b) rationale of the Scheme; (c) synergies of business of the entities involved in the Scheme; (d) impact of the Scheme on the shareholders; and (e) the cost benefit analysis of the Scheme. This report of the Audit Committee is made in compliance with the SEBI Master Circular. Capitalised terms used but not defined herein shall have the meanings set out in the draft Scheme.





**Documents placed before Audit Committee.**

5. This report of the Audit Committee is being issued in compliance with the SEBI Master Circular and other provisions of the applicable law. The Audit Committee has made this report after perusing the following documents:

- (a) draft Scheme, initialled by the Chief Financial Officer and Company Secretary, for the purpose of identification; and
- (b) Draft certificate issued by PWC, Chartered Accountants, the statutory auditors of the Company to the effect that the accounting treatment contained in the Scheme is in compliance with all the accounting standards specified by the Central Government under Section 133 and other applicable provisions of the Act or the accounting standards issued by the Institute of Chartered Accountants of India, as applicable, and other generally accepted accounting principles; ("**Auditors Certificate**")
- (c) Draft certificate issued by PWC, Chartered Accountants, the statutory auditors of the Company, certifying that the approval of the majority of the public shareholders as prescribed under paragraph (A)(10)(b) of Part I of the SEBI Master Circular is not applicable to the Scheme.
- (d) Draft share entitlement ratio report, obtained from KPMG Valuation Services LLP, Independent Registered Valuer recommending the Demerger Share Entitlement Ratio; ("**Share Entitlement Ratio Report**")
- (e) Draft form of the Fairness Opinion, issued by BofA Securities India Limited, a SEBI registered, Independent Merchant Banker; ("**Fairness Opinion**")
- (f) Audited financial statements of the Company for last 3 years (the financial year of the Company being from 1 January to 31 December);
- (g) Un-audited financial results of the Company for the quarter ended 31<sup>st</sup> March 2023 with the limited review report of the auditor; and
- (h) other presentations, reports, documents, and information furnished before the Audit Committee by the Management / Registered Valuers / Merchant Bankers.

**Need for and rationale of the draft Scheme.**

6. The Audit Committee noted that the draft Scheme is being proposed with the following objectives and rationale:

- (a) separation of the pharmaceutical and consumer healthcare businesses of the Company will allow the Company and the Resulting Company to have independent and focused management as well as independently pursue different opportunities and strategies for the growth of each respective businesses aligned to specific market dynamics;

  
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- (b) the proposed demerger will enable a different operating model for the consumer healthcare business under the Resulting Company, specific and fit for the purpose for a fast-moving consumer healthcare company, which would lead to a greater ability to operate independently and positively shape the consumer healthcare environment;
- (c) the requirements of the businesses of the Company and the Resulting Company, including in terms of operations, nature of risks, competitive advantages and strategies and regulatory compliances are different and the demerger will allow for enhancement of the business models of both the Company and the Resulting Company;
- (d) the shareholders, investor, analyst community and other stakeholders will have greater understanding and visibility of both the pharmaceutical and consumer healthcare businesses;
- (e) the proposed demerger will not only facilitate pursuit of scale and independent growth plans but also enable more focused management and stronger leverage of specific global resources within the Sanofi group. It will also facilitate flexibility in terms of providing liquidity for shareholders (following the listing of the shares of the Resulting Company);
- (f) the proposed demerger will de-risk both the businesses from each other and allow potential investors and other stakeholders the option of investing in both businesses; and
- (g) the proposed demerger will unlock value for the shareholders of the Company.

## 7. Key features of the draft Scheme.

- (a) The draft Scheme provides for demerger of the consumer healthcare business (demerged undertaking) from the Company into the Resulting Company
- (b) The Appointed Date under the Scheme is the Effective Date, subject to the sanction of regulatory authorities, as set out in the Scheme.
- (c) Upon the Scheme becoming effective, all the assets and liabilities and the business pertaining to the consumer healthcare business of the Company shall stand transferred to and vest in the Resulting Company, as a going concern.
- (d) Upon the Scheme becoming effective, 1 fully paid-up equity share of Rs. 10 each of the Resulting Company shall be issued and allotted to the equity shareholders of the Company for every 1 equity share of Rs. 10 each held in the Company.
- (e) Upon the Scheme becoming effective, the equity shares of Resulting Company held by the Company will stand cancelled on or after the Effective Date (as set out in the Scheme) by operation of law, without payment of any consideration or any further act or deed by either of the Company and the Resulting Company.

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- (f) Upon the coming into effect of this Scheme, the Resulting Company shall record the assets and liabilities pertaining to the consumer healthcare business of the Company vested in it pursuant to this Scheme (which cease to be the assets and liabilities of the Company), at the respective book values thereof, as appearing in the books of the Company at the close of the day immediately preceding the Effective Date (as set out under the Scheme).

#### **Synergies of business of the entities involved in the Scheme**

8. The Audit Committee noted that the Scheme does not involve merger of business of the Company but provides for demerger of the consumer healthcare business of the Company. The said demerger would entail the benefits specified in paragraph 7 above.

#### **Costs benefit analysis of the Scheme.**

9. After a careful evaluation of the proposed draft Scheme, the Company believes that the proposed demerger will increase value for the shareholders of the Resulting Company over time as it is expected that Resulting Company's share value will rerate in line with its peers in the fast-growing consumer healthcare space. Upon incorporation, the Resulting Company will be a wholly-owned subsidiary of the Company and post effectiveness of the Scheme, the shareholders of the Company are to be allotted shares in the Resulting Company in accordance with the Demerger Share Entitlement Ratio (as set out in the Scheme), the Scheme thus facilitates increased value for the shareholders of the Company.
10. Although the proposed Scheme includes certain implementation costs, the benefits of the Scheme over a longer period would, in the view of the Audit Committee, outweigh such costs for the Company and the shareholders of the Company, on account of several factors, including that the Scheme would separate the pharmaceutical business and the consumer healthcare business and allow potential investors and other stakeholders an option in terms of making a choice for either or both businesses.

#### **View of the Audit Committee and impact of Scheme on the Shareholders.**

11. The proposal to undertake the Scheme between the Company and the Resulting Company under Sections 230-232 of the Act, in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI Master Circular was placed before the Audit Committee at its meeting on May 8<sup>th</sup>, 2023. The Audit Committee was informed that under the draft Scheme, it was proposed to demerge the consumer healthcare undertaking of the Company and transfer such undertaking to vest in the Resulting Company.
12. The Audit Committee noted the background, salient features, rationale and the benefits to the Company and its shareholders, as set out above, of the draft Scheme as placed before it.

  
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13. In view of the fact that the execution of the Scheme would be in the best interests of the Company, the Resulting Company and their respective shareholders and creditors on account of the proposed demerger unlocking shareholder value, the Audit Committee after due deliberations and due consideration of all the terms of the draft Scheme and other documents presented before the Audit Committee, hereby unanimously notes and is of the opinion that the Scheme is not detrimental to the interests of the Company and its shareholders.

**Recommendation of the Audit Committee.**

14. The Audit Committee after due deliberations and due consideration of the draft Share Entitlement Ratio Report, draft Fairness Opinion, all the terms of the draft Scheme, rationale of the Scheme, impact of Scheme on the shareholders of the Company and other documents presented before the Audit Committee, recommends the draft Scheme for favourable consideration by the Board of the Company, BSE Limited, National Stock Exchange of India Limited, SEBI and other appropriate authorities for their favourable consideration and approval.

15. This report of the Audit Committee is made in compliance with the SEBI Master Circular after considering the necessary documents that are applicable in context of the draft Scheme.

For and on behalf of  
**Sanofi India Limited**



**USHA THORAT**  
Chairperson  
Audit Committee of Sanofi India Limited.



**Place:** Chennai

**Date:** May 8<sup>th</sup>, 2023

## Annexure 12

**Comparison of the revenue and net-worth of the Demerged Undertaking with total revenue and net-worth of the Demerged Company in the last three financial years.**

Name of the Company: Sanofi India Limited

*Rs in Crores*

Particulars	As per Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last audited Financial Year
	31 <sup>st</sup> December 2022	31 <sup>st</sup> December 2021	31 <sup>st</sup> December 2020
Net worth	1276	2226	2119
Income from Operations	2770	2957	2902




## Annexure-13

**Details of the pre-Scheme and the post-Scheme net-worth of the Demerged Company and the Resulting Company****Statement showing pre and post Scheme Net Worth of Sanofi India Limited  
(Demerged Company)**

<b>Particulars</b>	<b>Pre-Scheme (INR in Crore)</b>	<b>Post-Scheme (INR in Crore)</b>
<b>Share Capital</b>		
Equity Share Capital	23	23
<b>Total Share Capital (1)</b>	<b>23</b>	<b>23</b>
<b>Free Reserves</b>		
General Reserve	345	345
Retained Earnings	1034	1021
<b>Total Free Reserves (2)</b>	<b>1379</b>	<b>1366</b>
<b>Other Reserves</b>		
Securities Premium	2	2
Share Options Outstanding Account	64	64
<b>Total Other Reserves (3)</b>	<b>66</b>	<b>66</b>
<b>Net worth (1+2+3)</b>	<b>1468</b>	<b>1455</b>






**Statement showing pre and post Scheme Net Worth of Sanofi Consumer Healthcare India Limited (Resulting Company)**

<b>Particulars</b>	<b>Pre-Scheme (INR in Crore)</b>	<b>Post-Scheme (INR in Crore)</b>
<b>Share Capital</b>		
Equity share capital	2	23
<b>Total Share Capital (1)</b>	<b>2</b>	<b>23</b>
<b>Reserve &amp; Surplus (2)</b>	-	-
<b>Net Worth (1+2)</b>	<b>2</b>	<b>23</b>



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Annexure 14

16<sup>th</sup> August 2023

To,  
 Department of Corporate Services,  
 BSE Limited  
 P.J. Towers, Dalal Street,  
 Mumbai – 400 001

Scrip Code: 500674

Application no. 176976

Sub: Submission of Complaint Report in terms of the Securities and Exchange Board of India master circular dated June 20, 2023 bearing reference no. SEBI/HO/CFD/POD-2/P/CIR/2023/93, as amended from time to time (“SEBI Master Circular”)

Ref: Application for obtaining approval under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) for the scheme of demerger that seeks to demerge the consumer healthcare business of Sanofi India Limited (“Demerged Company”) into its wholly owned subsidiary Sanofi Consumer Healthcare India Limited (“Resulting Company”) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Demerger Scheme”)

Dear Sir/ Madam,

This is with reference to the captioned application (“SEBI Application”) submitted by us on 30<sup>th</sup> May 2023.

In terms of paragraph (A)(6)(b) of Part I of the SEBI Master Circular, a listed entity is required to submit a “Report on Complaints” to the stock exchanges within 7 days of expiry of 21 days from the date of filing of the draft scheme with the stock exchanges and hosting of the draft scheme along with the documents specified under paragraph (A)(2) of Part I of the SEBI Master Circular on the websites of the stock exchanges and such listed entity.

It may be noted that the BSE Limited (“BSE”) had hosted the draft Scheme of Amalgamation along with the required documents on its website on 24<sup>th</sup> July 2023. The SEBI Master Circular requires the Report on Complaints to be in the format prescribed as per Annexure IV of the SEBI Master Circular.

In view of the above, we enclose the “Report on Complaints” on the expiry of 21 days on 14<sup>th</sup> August starting from 24<sup>th</sup> July 2023 as per the format prescribed under the SEBI Master Circular.



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As required under paragraph A(8) of Part I of the SEBI Master Circular, the Demerged Company will upload the "Report on Complaints" on its website at [Scheme of Arrangement - Sanofi India \(sanofiindialtd.com\)](#).

We request you to take the same on record.

Thanking You,

For **Sanofi India Limited**

**Radhika** Digitally signed by  
Radhika Kartik Shah  
**Kartik Shah** Date: 2023.08.16  
13:15:56 +05'30'



**Radhika Shah**

Company Secretary & Compliance Officer

Membership No: A19308

# sanofi

16<sup>th</sup> August, 2023

**Complaints Report: Sanofi India Limited**

**Part A**  
(24<sup>th</sup> July 2023 – 14<sup>th</sup> August 2023)

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	0
5.	Number of complaints pending	0

**Part B**  
(24<sup>th</sup> July 2023 – 14<sup>th</sup> August 2023)

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	-	-	-
2.	-	-	-
3.	-	-	-

Thanking You,

Yours sincerely,

For **Sanofi India Limited**

**Radhika**

**Kartik Shah**

**Radhika Shah**

Company Secretary & Compliance Officer

Membership No: A19308

Digitally signed by  
Radhika Kartik Shah  
Date: 2023.08.16  
13:16:40 +05'30'





Annexure 14

11<sup>th</sup> August 2023

To,  
 Manager - Listing Compliance  
 National Stock Exchange of India Limited  
 Exchange Plaza, C-1, Block G,  
 Bandra Kurla Complex,  
 Bandra (E), Mumbai - 400 051

**Symbol: SANOFI**

**Application no. 35789**

**Sub: Submission of Complaint Report in terms of the Securities and Exchange Board of India master circular dated June 20, 2023 bearing reference no. SEBI/HO/CFD/POD-2/P/CIR/2023/93, as amended from time to time ("SEBI Master Circular")**

**Ref: Application for obtaining approval under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the scheme of demerger that seeks to demerge the consumer healthcare business of Sanofi India Limited ("Demerged Company") into its wholly owned subsidiary Sanofi Consumer Healthcare India Limited ("Resulting Company") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Demerger Scheme")**

Dear Sir/ Madam,

This is with reference to the captioned application ("**SEBI Application**") submitted by us on 27<sup>th</sup> May 2023.

In terms of paragraph (A)(6)(b) of Part I of the SEBI Master Circular, a listed entity is required to submit a "Report on Complaints" to the stock exchanges within 7 days of expiry of 21 days from the date of filing of the draft scheme with the stock exchanges and hosting of the draft scheme along with the documents specified under paragraph (A)(2) of Part I of the SEBI Master Circular on the websites of the stock exchanges and such listed entity.

It may be noted that the National Stock Exchange of India Limited Limited ("**NSE**") had hosted the draft Scheme of Amalgamation along with the required documents on its website on 19<sup>th</sup> July 2023. The SEBI Master Circular requires the Report on Complaints to be in the format prescribed as per Annexure IV of the SEBI Master Circular.

In view of the above, we enclose the "Report on Complaints" on the expiry of 21 days on 9<sup>th</sup> August starting from 19<sup>th</sup> July 2023 as per the format prescribed under the SEBI Master Circular.





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As required under paragraph A(8) of Part I of the SEBI Master Circular, the Demerged Company will upload the "Report on Complaints" on its website at [Scheme of Arrangement - Sanofi India \(sanofiindia.com\)](http://Scheme of Arrangement - Sanofi India (sanofiindia.com)).

We request you to take the same on record.

Thanking You,

For **Sanofi India Limited**

**Radhika**

Digitally signed by  
Radhika Kartik Shah

**Kartik Shah**

Date: 2023.08.11  
11:41:29 +05'30'

**Radhika Shah**

Company Secretary & Compliance Officer

Membership No: A19308



# sanofi

11<sup>th</sup> August, 2023

**Complaints Report: Sanofi India Limited**

**Part A  
(19<sup>th</sup> July 2023 – 9<sup>th</sup> August 2023)**

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	0
5.	Number of complaints pending	0

**Part B  
(19<sup>th</sup> July 2023 – 9<sup>th</sup> August 2023)**

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	-	-	-
2.	-	-	-
3.	-	-	-

Thanking You,

Yours sincerely,

For **Sanofi India Limited**

**Radhika**

**Kartik Shah**

**Radhika Shah**

Company Secretary & Compliance Officer

Membership No: A19308

Digitally signed by  
Radhika Kartik Shah  
Date: 2023.08.11  
11:42:03 +05'30'





**THIS IS A DISCLOSURE DOCUMENT WHICH IS BEING ISSUED IN COMPLIANCE WITH THE PROVISIONS OF MASTER CIRCULAR SEBI/HO/CFD/POD-2/P/CIR/2023/93 DATED 20 JUNE 2023 ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”), FOR THE SCHEME OF ARRANGEMENT BETWEEN SANOFI INDIA LIMITED “DEMERGED COMPANY”) AND SANOFI CONSUMER HEALTHCARE INDIA LIMITED] (“RESULTING COMPANY”) AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS (“SCHEME”).**

**THIS DOCUMENT IS IN THE FORMAT PRESCRIBED FOR AN DISCLOSURE DOCUMENT AS SET OUT IN PART E OF SCHEDULE VI OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 READ WITH ANNEXURE II TO THE SEBI MASTER CIRCULAR FOR ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 DATED 21 JUNE 2023, TO THE EXTENT APPLICABLE, AND CONTAINS THE APPLICABLE INFORMATION RELATING TO THE RESULTING COMPANY, WHICH IS AN UNLISTED COMPANY. THIS DOCUMENT SHOULD BE READ TOGETHER WITH THE SCHEME AVAILABLE ON THE WEBSITES OF THE DEMERGED COMPANY [<https://www.sanofiindia ltd.com/dam/jcr:f621bca2-d6d1-4e66-b019-67a4e4e18574/Annexure A Draft Scheme of Arrangement 12062023.pdf>], THE BSE LIMITED (WWW.BSEINDIA.COM) AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (WWW.NSEINDIA.COM).**

Nothing in this document constitutes an offer or an invitation by or on behalf of either the Demerged Company or the Resulting Company to subscribe for or purchase any of the securities of the Resulting Company or the Demerged Company.

**THIS DISCLOSURE DOCUMENT CONTAINS [10] PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES**

**SANOFI CONSUMER HEALTHCARE INDIA LIMITED**  
CIN: U21002MH2023PLC402652, Date of Incorporation: 10 May 2023.

Registered office	Corporate office	Contact person	E mail	Website.
3 <sup>rd</sup> Floor, Sanofi House, CTS No.117-B, L&T Business Park Saki Vihar Road, Powai Mumbai, Maharashtra 400072 India.	3 <sup>rd</sup> Floor, Sanofi House, CTS No.117-B, L&T Business Park Saki Vihar Road, Powai Mumbai, Maharashtra 400072 India.	Radhika Shah	IGRC.SIL@sanofi.com	<a href="https://www.sanofiindia ltd.com/">https://www.sanofiindia ltd.com/</a>

**NAME OF PROMOTER OF THE COMPANY**

As on the date of this Disclosure Document, the Resulting Company is a wholly owned subsidiary of the Demerged Company and the Demerged Company, i.e., Sanofi India Limited is the promoter of the Company.

**Details of Offer to Public:** Not applicable.

**Details of OFS by Promoter(s)/Promoter Group/ Other Selling Shareholders:** Not applicable.

**Price Band, Minimum Bid Lot and Indicative Timelines:** Not applicable.



**Details of WACA of all shares transacted over the trailing eighteen months from the date of the Disclosure Document:** Not applicable.

#### DETAILS OF THE SCHEME

The Scheme of Arrangement pertains to the demerger of the consumer healthcare business of the Demerged Company (“**Demerged Undertaking**”) and the subsequent transfer and vesting of such Demerged Undertaking to the Resulting Company, which company is a wholly-owned subsidiary of the Demerged Company. The Board of Directors of the Demerged Company at their meeting held on 10 May 2023 and the Board of Directors of the Resulting Company at their meeting held on 24 May 2023 approved a draft of the Scheme under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 (the “**Act**”) including rules made thereunder, relevant provisions of the Income-tax Act, 1961 and any other applicable laws, rules, circulars and regulations (including in each case any amendment(s), statutory modification(s) or re-enactments) for the time being in force) between the Demerged Company, the Resulting Company and their respective shareholders/creditors and subject to necessary approvals. Words and expressions, used in capitalized form but not defined in this document, shall have the meaning ascribed to them in the Scheme.

Pursuant to the provisions of the Scheme, after receipt of approval of the Hon'ble National Company Law Tribunal, Mumbai Bench (“**NCLT**”) and upon filing the certified copies of the sanction order(s) of the NCLT approving the Scheme with the Registrar of Companies, the Resulting Company shall issue and allot its equity shares to the shareholders of the Demerged Company, in accordance with the Demerger Share Entitlement Ratio set out in the Scheme. No further steps or actions would need to be undertaken by the shareholders of the Demerged Company to be entitled to receive equity shares of the Resulting Company. The Resulting Company shall be making an application for listing of shares issued pursuant to the Scheme. The equity shares are proposed to be listed on the NSE and the BSE (collectively the “**Stock Exchanges**”) where shares of the Demerged Company are listed.

#### RATIONALE OF THE SCHEME

The transfer of the Demerged Undertaking of the Demerged Company (which pertains to the consumer healthcare business) to the Resulting Company would be in the best interests of the Demerged Company, the Resulting Company and their respective shareholders and creditors. The implementation of the Scheme will yield advantages in terms of unlocking of shareholder value, in *inter-alia*, the manner set out below:

- (a) separation of the pharmaceutical and consumer healthcare businesses of the Company will allow the Demerged Company and the Resulting Company to have independent and focused management as well as independently pursue different opportunities and strategies for the growth of each respective businesses aligned to specific market dynamics;
- (b) the proposed demerger under the Scheme will enable a different operating model for the consumer healthcare business under the Resulting Company specific and fit for purpose for a fast-moving consumer healthcare company, which would lead to a greater ability to operate independently and positively shape the consumer healthcare environment; the requirements of the businesses of the Demerging Company and the Resulting Company, including in terms of operations, nature of risks, competitive advantages, strategies and regulatory compliances are different and the demerger will allow for enhancement of the business models of both the Demerging Company and the Resulting Company;
- (c) the shareholders, investor, analyst community and other stakeholders will have greater understanding and visibility of both the pharmaceutical and consumer healthcare businesses;
- (d) the proposed demerger will not only facilitate pursuit of scale and independent growth plans but also more focused management and stronger leverage of specific global resources within the group and flexibility in terms of providing liquidity for shareholders (following the listing of the shares of the Resulting Company);
- (e) the proposed demerger will de-risk both the businesses from each other and allow potential investors and other stakeholders the option of investing in both businesses; and
- (f) the proposed demerger will unlock value for the shareholders of the Demerged Company.





**GENERAL RISK**

Specific attention of the readers is invited to the section titled “Risk Factors” on page 7-8 of this Disclosure Document.

**STATUTORY AUDITORS OF THE RESULTING COMPANY**

**Name:** Price Waterhouse & Co Chartered Accountants LLP

**PROCEDURE**

The procedure with respect to a public offer is not applicable to the Resulting Company as the Resulting Company is unlisted and there is no public offering of securities. The issue of equity shares of the Resulting Company will be made only to the shareholders of the Demerged Company, in accordance with the Scheme. Hence, the procedure with respect to General Information Document (GID) is not applicable.

**DETAILS OF PROMOTERS OF THE RESULTING COMPANY.**

S. No.	Name.	Individual/ corporate.	Experience and educational qualifications.
1.	<b>Sanofi India Limited.</b> CIN: L24239MH1956PLC009794. PAN – AAACH2736F. <b>Number of equity shares held in Resulting Company – 2,000,000 equity shares of Rs. 10 each.</b>	Corporate.	The Demerged Company is primarily engaged in the business of manufacturing, producing, processing, marketing, formulating, buying, trading, storing, packing, selling, distributing, importing, exporting, providing consultancy and otherwise dealing in all varieties of pharmaceuticals especially consumer healthcare products.

**BUSINESS OVERVIEW AND STRATEGY**

<b>Company overview:</b>	<p>The Resulting Company is a deemed public limited company incorporated as Sanofi Consumer Healthcare India Limited on 10 May 2023 under the Act and has its registered office at 3<sup>rd</sup> Floor, Sanofi House, CTS No.117-B, L&amp;T Business Park Saki Vihar Road, Powai, Mumbai, Maharashtra, India – 400072.</p> <p>The consumer healthcare business of the Demerged Company is proposed to be demerged into the Demerged Company’s wholly owned subsidiary Sanofi Consumer Healthcare India Limited. The consumer healthcare business of the Demerged Company includes assets, liabilities and all other aspects pertaining to the consumer healthcare business of the Demerged Company including brands like Allegra®, Combiflam®, DePURA®, Avil®, etc. The Demerged Company’s distribution capabilities cover channels such as distributors, wholesalers, pharmacies, pharmacy chains and e-commerce. The turnover (revenue from operations) of the consumer healthcare undertaking of the Demerged Company for the financial year ended 31st December 2022 was approximately Rs. 728 crore, representing 26% of the total turnover (revenue from operations) of the Demerged Company for the said year.</p> <p>For further details, please refer to the financial statements, investor presentations and corporate disclosures issued by Sanofi India Limited, which are available at <a href="https://www.sanofiindialtd.com">https://www.sanofiindialtd.com</a>.</p>
<b>Product/service offering:</b>	<p>The Resulting Company is a newly incorporated company and as of the date of this Disclosure Document, the Resulting Company has not commenced operations. Accordingly, the Resulting Company does not offer any products/services at present.</p> <p>The Resulting Company proposes to carry on the Consumer Healthcare Business subsequent to the transfer of the Demerged Undertaking.</p>
<b>Revenue segmentation by product/ service offering:</b>	<p>The Resulting Company is a newly incorporated company and as on the date of this Disclosure Document, the Resulting Company has not commenced operations.</p>





<b>BUSINESS OVERVIEW AND STRATEGY</b>	
	<p>Accordingly, there is no product-based revenue segmentation available for the Resulting Company at present.</p> <p>Subsequent to the transfer of the Demerged Undertaking, the Resulting Company's revenue will be classified under a single product segment, i.e., consumer healthcare products.</p>
<b>Geographies served:</b>	The Resulting Company is a newly incorporated company and as on the date of this Disclosure Document, the Resulting Company has not commenced operations. Accordingly, the Resulting Company does not serve any geographies at present.
<b>Revenue segmentation by geographies:</b>	The Resulting Company is a newly incorporated company and as on the date of this Disclosure Document, the Resulting Company has not commenced operations. Accordingly, there is no geographic revenue segmentation available for the Resulting Company at present.
<b>Key performance indicators:</b>	The Resulting Company is a newly incorporated company and as on the date of this Disclosure Document, the Resulting Company has not commenced operations. Accordingly, there are no key performance indicators available for the Resulting Company at present.
<b>Client profile or industries served:</b>	The Resulting Company is a newly incorporated company and as on the date of this Disclosure Document, the Resulting Company has not commenced operations. Accordingly, the Resulting Company does not presently serve any clients or industries. Subsequent to the transfer of the Demerged Undertaking, the Resulting Company intends to serve retail and wholesale consumers of consumer healthcare products including hospitals, distribution outlets and pharmacies.
<b>Revenue segmentation in terms of top 5/10 clients or industries:</b>	The Resulting Company is a newly incorporated company and as on the date of this Disclosure Document, the Resulting Company has not commenced operations. Accordingly, there is no client-based revenue segmentation available for the Resulting Company at present.
<b>Intellectual property, if any:</b>	The Resulting Company is a newly incorporated company and as on the date of this Disclosure Document, the Resulting Company is not the owner of any trade marks. Subsequent to the transfer of the Demerged Undertaking, the Resulting Company will become the proprietor of the trademarks transferred pursuant to the Scheme.
<b>Market share:</b>	The Resulting Company is a newly incorporated company and as on the date of this Disclosure Document, the Resulting Company has not commenced operations. Accordingly, the details of the market share of the Resulting Company are not available at present.
<b>Manufacturing plant, if any:</b>	The Resulting Company is a newly incorporated company and as on the date of this Disclosure Document, the Resulting Company has not commenced operations. Accordingly, there are no manufacturing plants owned and operated by the Resulting Company at present. Subsequent to the vesting and transfer of the Demerged Undertaking, the Resulting Company intends to enter into arrangements with contract manufacturing organisations across India for the manufacture of consumer healthcare products that are relevant to the business of the Resulting Company.
<b>Employee Strength:</b>	<p>The Resulting Company is a newly incorporated company and as on the date of this Disclosure Document, the Resulting Company has not commenced operations. Accordingly, there are no employees in the Resulting Company at present.</p> <p>As a result of the vesting and transfer of the Demerged Undertaking, all employees who pertain to the Demerged Undertaking and are on the payroll of the Demerged Company, shall become the employees of the Resulting Company without any break or interruption in their services on no less favourable terms, pursuant to the Scheme.</p>



BOARD OF DIRECTORS OF THE RESULTING COMPANY				
S. No.	Name.	Designation (Independent/ Whole-time/ Executive/ Nominee).	Experience and educational qualification.	Other Directorships.
1.	Jagruti Kapadane	Non-Executive	<p>Jagruti Kapadane has an established track record of delivering diversified responsibilities within Finance function in competitive and changing business environment. Jagruti Kapadane is qualified Chartered Accountant from The Institute of Chartered Accountant of India and Certified Management Accountant from Chartered Institute of Management Accountant, AICPA CIMA UK. Currently she is the Head Internal Audit and Internal Control lead for Sanofi India Limited, based in India. In this role she is accountable for providing independent assurance with effectiveness of internal controls and risk management process to enhance governance.</p> <p>Within 10 years of experience, Jagruti has worked across diverse roles like financial reporting &amp; consolidation, corporate accounting, auditing, financial planning and analysis, finance business partner, project management and business model transition across General Medicine, Consumer Healthcare and Vaccines business. Given Jagruti has been part of, or chairing, leadership teams for over 5 years of her career, she has a strong appreciation of the importance of compliance and ethics in doing business and passionate about ensuring Sanofi CHC positively impacts presence in India.</p>	Opella Healthcare India Private Limited
2.	Fabien Vaucel	Non-Executive	<p>Mr. Fabien Vaucel is head of Business Development Regional &amp; Local CHC Strategy, and is presently working in the Consumer Healthcare Global Business Unit of Opella Healthcare Group.</p> <p>Mr. Fabien Vaucel graduated with a Bachelor of Arts in International Business from the University of Plymouth in the United kingdom in 1998 and with an EPSCI diploma from the ESSEC Business School in France in 1999. His career spans over more than 2 decades, and comprise experiences as financial controller in Morocco and France, business roles in the Sanofi French affiliate and holding positions in Business Development / Merger &amp; Acquisition and strategy areas. Among others and more specifically, Fabien Vaucel has been involved in many divestitures processes, worked on various acquisitions including the Boehringer-Ingelheim swap in 2017, and signed 2 significant Rx-To-OTC licensing deals in Japan over the past 4 years. More recently he has been deeply involved in the de-merger process of SCHIL of Sanofi India.</p>	Nil
3.	Carol-Ann Stewart	Non-Executive	<p>Carol-Ann Stewart has an established track record of growing businesses in competitive environments &amp; different cultural contexts. Currently she is the Region Head of AMEA (Asia Pacific, Middle East, Africa) for Sanofi Consumer Health Care, based in Singapore. In</p>	Nil



BOARD OF DIRECTORS OF THE RESULTING COMPANY				
S. No.	Name.	Designation (Independent/ Whole-time/ Executive/ Nominee).	Experience and educational qualification.	Other Directorships.
			<p>this role she is accountable for the financial performance, winning market share and building a truly engaged team across the Region.</p> <p>With over 27 years of experience, Carol-Ann has worked across the globe in multiple countries (Hong Kong, Australia, Japan, China, Poland, Colombia, Panama, UK) and in leading organisations such as SmithKline Beecham &amp; GSK prior to Sanofi. Having a marketing background with a strong commercial edge Carol-Ann has worked in various Sales, Marketing, Innovation and Business Development roles at local, regional and global level leading to general management roles initially at the country level and later at and multi market Regions (LATAM then AMEA) with increasing accountability.</p> <p>Given Carol-Ann has been part of, or chairing, leadership teams for over 17 years of her career, she has a strong appreciation of the importance of compliance and ethics in doing business. Moreover, she is passionate about ensuring Sanofi CHC positively impacts the countries in which they are based, through brand led partnerships with NGOs for a broader societal impact.</p> <p>Carol-Ann graduated from the University of Strathclyde (Glasgow, Scotland) with a first-class honours degree in Bachelor of Arts in Marketing.</p>	
4.	Makarand Kulkarni	Non-Executive	<p>Makarand Kulkarni's career journey spans over 27 years largely across sales, marketing, M&amp;As and project management. Currently he is working as Project Management Officer-Strategic Projects at Sanofi, leading key projects related to CHC business in India. He brings in diverse experience in launching, managing &amp; driving brands and businesses in various segments such as Consumer Health, Cardiovasculars, Diabetes, Paediatrics &amp; Women's Health. Prior to Sanofi he has held business leadership roles in leading organisations such as Merck Serono &amp; Glenmark.</p> <p>Makarand Kulkarni has led several key initiatives across these organisations including launch of Cardio-Diabetology businesses in Glenmark &amp; Merck while driving major divestment deals and successful product launches in Sanofi. He brings in a fair amount of international experience having worked on global Marketing Excellence Projects, managing Sri Lanka business and strategic marketing initiatives in APAC. He holds a masters degree in Zoology and has also done is Masters in Marketing Management from University of Mumbai.</p>	Opella Healthcare India Private Limited



SHAREHOLDING PATTERN (AS ON DATE OF THE DISCLOSURE DOCUMENT)			
S. No.	Particulars	Number of shares (Pre-Scheme)	Percentage holding. (Pre-Scheme)
1.	Promoter & promoter group*	2,000,000	100.00%
2.	Public	Nil.	Nil.
<b>Total</b>		2,000,000	100.00%

\*The promoter, i.e., the Demerged Company holds the entire shareholding of the Resulting Company along with its 6 nominee shareholders holding 1 equity share each.

#### RESTATED CONSOLIDATED AUDITED FINANCIALS

The Resulting Company was incorporated on 10 May 2023. The first financial year of the Resulting Company commenced from its date of incorporation, i.e., 10 May 2023 and shall end on 31 March 2024, in accordance with Section 2(41) of the Act. Therefore, the audited financial statements of the Resulting Company are not available. Accordingly, such audited financials have not been disclosed in this Disclosure Document.

The Resulting Company was set up with an initial capital of 2,35,00,000 equity shares of Rs. 10 each, pursuant to the subscription of 20,00,000 equity shares of the face value of Rs. 10 by the Demerged Company along with its nominees – (a) Mr. Surendra Agarwal; (b) Ms. Vinita Patil; (c) Mr. Somak Ghosh; (d) Ms. Jagruti Kapadane; (e) Mr. Rupendra Sachdev; and (f) Mr. Chandukumar Parmar, as first subscribers to the memorandum of association of the Resulting Company.

#### RISK FACTORS

1. The prices of active pharmaceutical ingredients and intermediates fluctuate based on the market demand and supply conditions. The Resulting Company may not be able to pass on any sharp increases in the prices of raw material to consumers, which may result in margin contraction. In addition, the Resulting Company is exposed to risks such as falling interest rates, cyber security failures, adverse social media, counterfeit drugs, adverse orders passed by courts in pricing, tax and other litigations, among others.
2. The implementation of the Scheme is subject to receipt of various approvals, including approval from shareholders and creditors of the Demerged Company, regulatory authorities and the NCLT. In the event that these approvals are not received, the Demerged Company may not be able to effect the transfer of the Demerged Undertaking to the Resulting Company, which will result in the Resulting Company's inability to complete the Scheme and commence business operations.
3. The Resulting Company's performance and growth are dependent on the performance of the Indian and global economy, which in turn, depends on various external factors. Any downturn in the macroeconomic environment in India could affect the business, prospects, financial condition, results of operations and cash flows of the Resulting Company.
4. Post-effectiveness of the Scheme, the Resulting Company intends to operate in the pharmaceutical and consumer healthcare sector which is intensely competitive with numerous major competing. Such competitors may succeed in developing products that are cheaper, popular or more efficient than the products of the Resulting Company, thus adversely affecting the profitability and business of the Resulting Company.
5. In past few years, the Government of India has made frequent changes in regulations covering drug pricing, trade margins and other laws which impact us. Any adverse changes in government policies with respect to pricing or trade margins with respect to our products may impact our performance.





**SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION**

**A. Total number of outstanding litigations against the Resulting Company and amount involved\*:**

Name of entity.	Criminal proceeding.	Tax proceeding.	Statutory or regulatory proceeding.	Disciplinary actions by SEBI or Stock Exchange against our promoters.	Material civil litigation.	Aggregate amount involved (Rs. in crores)
<b>Company.</b>						
By the company.	Nil.					
Against the company.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.
<b>Directors.</b>						
By our directors.	Nil.					
Against the directors.	Nil.					
<b>Promoters.</b>						
By promoters.	Nil.	53	Nil.	Nil.	Nil	394
Against promoters.	7	9	Nil	Nil	Nil	37
<b>Subsidiaries</b>						
By subsidiaries	Not applicable					
Against subsidiaries	Not applicable					

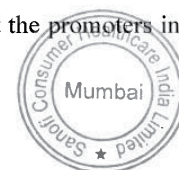
*\*As on the date of the Disclosure Document, there are no litigations that have been instituted by or against the Resulting Company on account of such company being a newly-incorporated company. Post-effectiveness of the Scheme, no litigation pertaining to the Demerged Undertaking will be transferred to the Resulting Company.*

**B. Brief details of top 5 material outstanding litigations against the Resulting Company and amount involved\*:**

Sr. No.	Particulars.	Litigation filed by.	Current status.	Amount involved
1.	Nil.	Nil.	Nil.	Nil.

*\*As on the date of the Disclosure Document, there are no litigations that have been instituted by or against the Resulting Company on account of such company being a newly-incorporated company, post-effectiveness of the Scheme, the litigations pertaining to the Demerged Undertaking will be transferred to the Resulting Company, depending on the nature of such proceedings.*

**C. Regulatory action, if any – disciplinary action taken by SEBI or Stock Exchanges against the promoters in last 5 financial years including outstanding action, if any: Nil.**





**D. Brief details of outstanding criminal proceedings against promoters:**

1. **Loni Kalbhore Police Station, Pune – FIR GR/114/2013 dated May 23,2013 filed against SIL and its officials.**  
Complaint filed alleging failure to supply drugs to one distributor and for allegedly violating Drug Price Control Order, 1995 and the Essential Commodities Act, 1995. Criminal Writ Petition No.3604 of 2013 is filed before Bombay High Court for quashing of FIR on the ground *inter-alia* that complainant was not a distributor of SIL. Case pending.
2. **Criminal Complaint No. C-III 188/2008 filed by Drug Inspector, Ranchi against SIL and its officer(s) .**  
Criminal Complaint filed at Ranchi by Drug Inspector - Health Department, Government of Jharkhand against Company under provisions of Drugs and Cosmetics Act. The proceeding before the Special Judge, District Court Ranchi and the Ranchi High Court are pending.
3. **Spl. CC No.226 of 2017 – Central Bureau of Investigation (CBI) vs. Dr. Anand and SIL and SLP (Crl) No. 3597 / 2019 filed by SIL.**  
Criminal Complaint filed in the matter of purchase of medicines by Dr. Anand, of BARC. Karnataka High Court dismissed the quashing petition filed by SIL. SIL filed SLP before Supreme Court of India, which stayed the Trial Court proceedings by order dated April 26, 2019. Case pending.
4. **CC 30374 of 2022 (earlier CC No.2046 of 2006) – Criminal Complaint filed by National Pharmaceutical Pricing Authority (NPPA) against SIL & Ors.**  
Complaint filed alleging over-charging of price of an insulin based product.  
*C.C. No. 2046 of 2006 has been transferred to 37th Additional Chief Metropolitan Magistrate, Bengaluru, and re-numbered as C.C. No. 30374 of 2022.* Case pending.
5. **Dasari Naga Rao v. Md. Ahmed Hussain & Ors. – SIL(Respondent.3)**  
Complainant instituted proceedings alleging documents theft etc in Cr. No.989/2007. Andhra Pradesh High Court quashed proceedings qua SIL and dismissed SLP against such order in 2011. Though police authority termed the dispute as civil, a Protest Petition was filed by complainant and magistrate took cognizance. SIL, filed quashing petitions against cognizance order which was dismissed by AP High Court on February 02, 2018. The Appellants filed present SLPs (now Criminal SLPs) in April 2018 before Supreme Court which granted interim stay to Trial Court proceedings.
6. **Case No.1/SL/2011 – before Chief Metropolitan Magistrate, Mumbai – Sh. S.B. Bhoi (Government Labour Officer) vs. SIL, Dr. Shailesh Ayyangar & Ors.**  
SIL (formerly Aventis Pharma Limited) has been arrayed as Accused No.4 in proceeding filed with respect to Sales, Promotion Employees (Condition of Services) Act, 1976, Maharashtra, alleging non-compliance with Sales Promotion Employees (Conditions of services). SIL filed Criminal Writ Petition No.3991 of 2014 before Bombay High Court for quashing the proceedings. The matter is pending.
7. **Crl. Case CC No.9215 of 2019 – before the Chief Metropolitan Magistrate, Rohini District Court (North West), Delhi against SIL, Dr. Shailesh Ayyangar (former MD) & Ors.**  
The complaint alleges violation under Drugs and Cosmetics Act and Rules thereunder. The matter has been challenged by way of Writ Petition (Crl.) No.2605 of 2021 before Delhi High Court which is pending.

**ANY OTHER IMPORTANT INFORMATION**

Nil.



**DECLARATION BY THE RESULTING COMPANY**

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Disclosure Document is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Disclosure Document are true and correct.

**For Sanofi Consumer Healthcare India Limited.**



**Makarand Kulkarni**

**Director**

**Place:** Mumbai

**Date:** 10<sup>th</sup> November 2023



## Annexure 16

**Details of on-going adjudication and recovery proceedings, prosecution initiated and other enforcement action against the Demerged Company.**

1. **Loni Kalbhore Police Station, Pune – FIR GR/114/2013 dated May 23,2013 filed against SIL and its officials.**

Complaint filed on the alleged ground *inter-alia* that Sanofi failed to supply drugs to one distributor and allegedly violated the Drug Price Control Order, 1995 and the Essential Commodities Act, 1995. SIL has filed Criminal Writ Petition No.3604 of 2013 before the Hon'ble High Court of Judicature at Bombay for quashing of the FIR on the ground *inter-alia* that the distributor/complainant was not a distributor of SIL. The matter is pending.

2. **Criminal Complaint No. C-III 188/2008 filed by Drug Inspector, Ranchi against SIL and its officer(s) and Cr. M.P. No.1870 of 2011 filed by SIL before the Hon'ble High Court at Ranchi.**

Criminal Complaint filed at Ranchi by Drug Inspector Ranchi - Health Department, Government of Jharkhand against the Company under the provisions of the Drugs and Cosmetics Act. SIL has challenged the criminal proceedings by filing Writ Petition in the Hon'ble High Court at Ranchi for quashing of the criminal proceeding. The proceeding before the Special Judge, District Court Ranchi and the Hon'ble High Court at Ranchi are pending.

3. **Spl. CC No.226 of 2017 – Central Bureau of Investigation (CBI) vs. Dr. Anand and SIL and SLP (Crl) No. 3597 / 2019 filed by SIL.**

Criminal Complaint filed in the matter of purchase of medicines by Dr. Anand, a public servant of the BARC. The Hon'ble High Court of Karnataka dismissed the petition filed by SIL for quashing of criminal proceeding. SIL filed a Special Leave Petition before the Hon'ble Supreme Court of India. The proceeding before the Trial Court have been stayed by the Hon'ble Supreme Court by way of its order dated April 26, 2019 which is continuing as on date. The matter is pending before the Hon'ble Supreme Court of India

**Annexure 16**

4. **CC 30374 of 2022 (earlier CC No.2046 of 2006) – Criminal Complaint filed by National Pharmaceutical Pricing Authority (NPPA) against SIL & Ors.**

Complaint filed alleging over-charging of price of an insulin based product.

C.C. No. 2046 of 2006 has been transferred to the Court of the 37th Additional Chief Metropolitan Magistrate, Bengaluru, and re-numbered as C.C. No. 30374 of 2022. The matter is pending before the Additional Chief Metropolitan Magistrate, Bangalore.

5. **National Pharmaceutical Pricing Authority (NPPA) – Demand Notice against SIL.**

NPPA in 2012, issued demand notice against SIL, alleging over pricing in the case of three drugs. SIL filed Writ Petitions before the Hon'ble High Court of Judicature of Bombay challenging the demand notices and the same are pending adjudication. SIL has in the meantime deposited the amount as claimed by the NPPA.

6. **National Pharmaceutical Pricing Authority (NPPA) – Complaint filed by NPPA against SIL.**

NPPA in 2018 issued demand against SIL relating to price approval for two formulations. SIL filed Civil Writ Petition before the Hon'ble Delhi High Court, challenging the issuance of the demand notice and the said Writ Petition was allowed by the Delhi High Court by its judgment delivered on March 20, 2019. The NPPA has appealed the decision of the Single Judge of the Delhi High Court in proceeding bearing No.LPA 377-80/2020, before High Court of Delhi. The said appeal proceeding is pending.

7. **Review Committee to compute liability against companies including erstwhile Aventis Pharma Ltd in the matter relating to alleged overcharging for 5 drugs of Sanofi India Limited .**

## Annexure 16

Company has already deposited amount in full and final settlement of all claims. The details have been disclosed in the annual report of the Company from time to time.

### 8. **Dasari Naga Rao v. Md. Ahmed Hussain & Ors. – SIL is Respondent No. 3.**

The Complainant above named has instituted proceedings alleging *inter alia* theft of documents and other allegations on the basis of which FIR bearing Cr. No.989 of 2007 was lodged. The said proceeding was quashed qua SIL by the Hon'ble High Court of Andhra Pradesh and the Special Leave Petition against such order was also dismissed in 2011. The police authority in the criminal complaint termed the dispute as civil against which the Protest Petition was filed by Mr. Rao and the magistrate took cognizance of the complaint. The Appellants, including SIL, filed quashing petitions against the cognizance order which was dismissed by the High Court of Andhra Pradesh vide its order dated February 02, 2018. On April 13, 2018, the said Appellants filed present SLPs (now Criminal SLPs) before the Hon'ble Supreme Court of India. The Hon'ble Supreme Court of India has granted interim stay of the proceeding pending before the Trial Court.

### 9. **Rohitash Kumar vs. SIL Civil Suit No 6506 of 2016 before the District Court, Saket, New Delhi.**

The said civil suit proceeding seeks recovery of alleged monetary claim to the tune of Rs. 7,62,109/-. The claim is denied by Sanofi India Limited and matter is presently pending for framing of issues.

### 10. **Case No.1/SL/2011 – before the Chief Metropolitan Magistrate, Mumbai – Sh. S.B. Bhoi (Government Labour Officer) vs. SIL, Dr. Shailesh Ayyangar & Ors.**

SIL (formerly Aventis Pharma Limited) has been arrayed as Accused No.4 in these proceeding filed with respect to the Sales, Promotion Employees (Condition of Services) Act, 1976, Maharashtra, alleging non-compliance with



## Annexure 16

Sales Promotion Employees ( Conditions of services). SIL has filed Criminal Writ Petition No.3991 of 2014 before the Hon’ble High Court of Judicature at Bombay, seeking quashing of the proceedings filed by the Labour Officer. The matter is pending.

- 11. Writ proceeding filed before the Hon’ble High Court of Judicature at Bombay in 2019 by complainant, and Awaazz Foundation against SIL and Ors.**

The Writ Petition challenges the outcome of the internal committee report inquiry on a harassment case filed by the complainant. SIL is in the process of filing its reply in the Writ Petition and the matter is pending.

- 12. Crl. Case CC No.9215 of 2019 – before the Chief Metropolitan Magistrate, Rohini District Court (North West), Delhi against SIL, Dr. Shailesh Ayyangar (former MD) & Ors.**

The complaint alleges violation under Drugs and Cosmetics Act and Rules thereunder. The matter has been challenged by way of Writ Petition (Crl.) No.2605 of 2021 before the Hon’ble Delhi High Court. The matter is pending.

- 13. Consumer Complaint No.297 of 2020 before the District Consumer Dispute Redressal Commission, Thiruvanthapuram – P. Baji Raveendran vs. SIL & Anr.**

A consumer complaint alleging deficiency of services with respect to a product manufactured and sold by SIL is filed before the District Consumer Dispute Redressal Commission, Thiruvanthapuram. SIL has filed its written statement in the matter and the proceeding is pending.

- 14. Order passed by Department of Atomic Energy “DAE” dated June 29, 2021, related to tenders issued by the Department.**

The Order dated 29.06.2021 passed by DAE has been challenged by SIL before the Hon’ble High Court of Judicature at Bombay by way of Writ

**Annexure 16**

Petition No.23780 of 2021 as arbitrary. The Hon'ble Bombay High Court has stayed the DAE order dated June 29, 2021. The stay order continues as on date and the matter is pending for final hearing.

15. Appeal proceeding before the Senior Assistant Commissioner of Sales Tax, Mumbai with respect to the assessment year 1998-99. The amount involved in dispute is Rs.2,00,000/- with respect to non-submission of "C" Form.
16. Appeal proceeding before the Joint Commissioner of Sales Tax (Appeal)-III, Maharashtra, filed for disallowance of input credit. The amount involved in dispute is Rs.12,11,000/- with respect to assessment year 2008-09.
17. Appeal proceeding before the Additional Commissioner, Lucknow for movement of goods against improperly filled Form 38. Assessment year is 2008-09 and amount involved in dispute is Rs.2,45,000/-.
18. Proceeding before the Additional Commissioner, Lucknow with respect to goods seized on account of movement of goods without appropriate form. The amount claimed is Rs.5,60,000/- with respect to assessment year 2012-13.
19. Appeal proceeding before the Sales Tax Tribunal, Bengaluru for assessment year 1999-2000 for amount claimed by the Company to the extent of Rs17,00,000/- pertaining to cross reference of invoices done with Employee State Insurance Corporation.
20. Appeal proceeding before the Deputy Commissioner of Commercial Tax, Bengaluru for an amount of Rs.4,31,251/- with respect to disallowance of credit note for assessment year 2008-09.
21. Proceeding before the CESTAT, Ahmedabad, with respect to an amount of Rs.5,5,70,852/- arising out of disallowance of input service tax credit claimed on services consumed for dutiable as well as exempted goods.

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22. Appeal proceeding before the CESTAT with respect to assessment year 2007-08 to 2011-12, filed by the Department with respect to availment of input tax credit. The amount in dispute is Rs.3,87,22,723/-.
23. Appeal proceeding before the Commissioner of Appeal, Baroda for assessment year 2015-16 with respect to an amount of Rs.7,18,588/- regarding non-acceptance of input service tax credit on repair(s), renovation and remodelling.
24. Appeal filed by the Department before the Ministry of Finance with respect to the assessment year 2015-16, regarding an amount of Rs.1,94,28,294/- regarding claim of input tax credit allowed in favour of the Company by the Commissioner (Appeal), Mumbai.
25. Writ proceeding before the Hon'ble High Court of Gujarat at Ahmedabad, with respect to refusal for refund of excise duty paid on exports. This pertains to the assessment year 2013-14 and the amount involved is Rs.83,74,925/-.
26. Appeal proceeding before the CESTAT with respect to rejection of refund application regarding assessment year 2014-15. Amount involved is Rs.58,59,456/-.
27. Appeal proceeding before the CESTAT for assessment years 2005-07 for the amount of Rs.13,14,150/- with respect to the demand and penalty confirmed regarding non-allowance of abatement and claim based on declaration filed. The contention of the department is abatement cannot be claimed based on declaration.
28. Appeal proceedings before the CESTAT with respect to the classification of the product "Allstar Pen" with respect to which input tax credit has been denied. The amount involved is Rs.1,55,19,647/-.
29. Appeal proceeding before the CESTAT with respect to assessment year 2016-17 regarding disallowance of refund on the product "Allstar Pen" arising from claiming input tax credit. Amount in dispute is Rs.67,89,490/-.

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30. Appeal proceedings before the CESTAT for the assessment year 2016-17 with respect to the classification of the product “Allstar Pen” with respect to which input tax credit has been denied. The amount involved is Rs.1,55,04,697-.
31. Appeal proceeding filed before the Ministry of Finance, Government of India by the Assistant Commissioner of Central Excise with respect to the allowance of refund on the ground that such refund cannot be sanctioned as the product in question is non-taxable. Proceeding pertain to assessment year 2014-15 and the amount in dispute is Rs.67,65,428/-.
32. Show Cause Notice issued by the Superintendent of Central Excise, Ankleshwar with respect to the period January 1993 to January 1997 alleging short payment of excise duty on six Bulk Drugs manufactured by the Company. The matter is pending. The amount in dispute is Rs.1,75,06,000/-.
33. Proceeding initiated before the \_ Sp State Excise Thane 1997. Notice issued with respect to product “Corbutyl” on the ground that it contains Narcotic Substance and therefore State Excise duty is payable @ 20%. Company has classified the product as medicament under the Central Excise Tariff Act, 1985 and had been paying Central Excise duty thereon at 15%. Commissioner of State Excise passed order confirming the demand. Company has filed a Review Application before the Central Board of Excise & Customs, New Delhi contending that Company cannot be called upon to pay Central as well as State Excise duty on the same product. The amount in dispute is about Rs.2,31,56,000/-. The order is awaited.
34. Proceeding before the Commissioner of State Excise, with respect to product “Corbutyl” on the ground that as it contained narcotic substance and hence, state excise duty is payable at 20%. Company had been paying 15% central excise duty. In the appeal proceedings, the Commissioner has passed an Order granting stay on recovery of duty pending the decision of the Bombay High Court in the case of DWD Pharmaceuticals which involves identical issues. The amount in dispute is Rs.1,32,07,200/-.

**Annexure 16**

35. Appeal filed before the Joint Commissioner of State Tax, Indore for assessment year 2021-22 with respect to an amount of Rs.47,55,584/- regarding disallowance on account of differences in input credit claimed by the Company as compared to credit appearing in the records of the GSTR 2A. on GST portal.
36. Complaint filed by Mr. Praveen Kumar before the Deputy Labour Commissioner, Udaipur challenging the transfer from Udaipur to New Delhi. The complaint was dismissed pursuant to which, Mr. Praveen Kumar has filed a Petition being Writ Petition (C) No.13462 of 2015 before the Hon'ble High Court of Rajasthan at Jodhpur, which petition was disposed of with directions to the Complainant to approach the Civil Court. The Civil Court has passed an order that services should not be terminated illegally but no reference was made on his transfer. We are contesting the matter in ID court.
37. North Zone Coordination Committee (NZCC) Medical & Sale, a Union has coordinated with certain employees of the Company to form an integral group and seek recognition of that Union. Proceedings have been filed before the Deputy Labour Commissioner, Panchkula raising dispute on working conditions the Company has filed a CWP No.6391 of 2014 before the Hon'ble Punjab & Haryana High Court contesting the reference of dispute. At present the proceedings before the Labour Court are stayed.
38. Mr. K.R.M. Choudhary has filed a suit at the Civil Court at Darbhanga and complaint at the office of the Deputy Labour Commissioner alleging that his termination is illegal and that he should be reinstated. The Civil Suit has been dismissed. The complaint filed before the Labour Officer has been referred to the Labour Court. The matter is pending.
39. Proceeding with respect to Mr. M R K C Prasad, who has filed a complaint for reinstatement with full back wages. the Company has filed a Writ Petition No. 11562 of 2002 before the Hon'ble High Court of Andhra Pradesh. The matter is pending.



**Annexure 16**

40. Proceeding by Mr. Madhusudan Rao, Ex. Employee of the Company – Termination of Mr. Rao has been challenged in ID-92/2008 before the Industrial Court, Vizag. Mr. Rao has filed a criminal complaint CC No.480 of 2010 before the Additional Chief Metropolitan Magistrate, Vizag with respect to his termination since the police authority refused to entertain the complaint.

Mr. Rao has further a filed criminal complaint CC No.481/2010 before the Additional Chief Metropolitan Magistrate, Vizag, alleging cheating and conspiracy between the Company's official with respect to a settlement between the Company and him.

The Company has challenged the proceedings in both the above criminal complaints before the Hon'ble Andhra Pradesh High Court by way of W.P. and the Hon'ble Court has granted stay on the proceedings.

Mr. Rao has also initiated a defamation complaint before the Magistrate Court, Vishakhapatnam which complaint was dismissed against which a criminal appeal – 69/2012 has been filed by Mr. Rao before the Appellate Court at Vishakhapatnam. All the aforesaid matters are pending.

41. HAIRC (Hoechst All India Representative Committee) has filed Complaint No.24 of 2022 under the provision of Maharashtra Trade Union And Prevention of Unfair labour Practises Act (MRTU & PULP Act) at Mumbai Industrial court or interim relief in case of any dismissal, transfer or any change in the service condition. The matter is pending.

42. Mr. Ravi Karamchandani has filed complaint LCA/451/2023 and LCA/51/2023 before Labour Court claiming salary, other reimbursement and leave travel allowance for a period of six months. The matter is pending.

43. AWBSRU (All West Bengal Sales representative Union) has filed Writ Petition No.9571/2022 protesting termination of 15 employees. The matter is pending.

**Annexure 16**

44. SEAWU (Sanofi Employee and allied worker Union) has filed RT/37/2019 before the Industrial Tribunal, Ludhiana alleging *inter alia*, disparity in increment amongst employees.
45. Mr. Jasmeet Singh through the Union, has filed Case No. A/269/2022 before the Industrial Tribunal, Ludhiana challenging the change in service conditions during the pendency of the reference at Sl. No.47 above. The Company has filed CWP No.30049/2022 before the Hon'ble High Court of Punjab & Haryana which has stayed the reference order at Sl. No.44 and the proceedings at Sl. No.45.
46. Mr. Rahul Tripathi initiated proceedings under Section 2 of the Industrial Dispute Act, before the Industrial Court, Lucknow. The proceedings are pending.