



23rd February 2022

The Secretary
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

The Secretary
The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra East
Mumbai 400 050

Audited Financial Results for the year ended 31st December 2021

Dear Sirs,

We refer to our letter dated 7th February 2022 informing you of our Board Meeting that was scheduled today. The meeting of Board of Directors commenced at 2.30 p.m. and concluded at 6.15 p.m. The Board approved audited financial results for the quarter and year ended 31st December 2021.

We enclose a copy of the auditor's report and audited financial results of the Company for the quarter and year ended 31st December 2021 along with statement of assets and liabilities as on that date and statement of cashflows for the year ended 31st December 2021 along with press release as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for your information.

Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that the Statutory Auditors of the Company, M/s Price Waterhouse & Co. Chartered Accountants LLP have issued the Audit Report with unmodified opinion for the financial year ended 31st December 2021.

Please take the above information on record.

Thanking you,

Yours faithfully

For Sanofi India Limited

Radhika Shah
Company Secretary & Compliance Officer

Membership No.: 19308

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 AUDITED FINANCIAL RESULTS FOR YEAR ENDED DECEMBER 31, 2021

Particulars	₹ in Million				
	Quarter ended 31.12.2021 (Audited) Refer Note 7	Quarter ended 30.09.2021 (Unaudited)	Quarter ended 31.12.2020 (Audited) Refer Note 7	Year ended 31.12.2021 (Audited)	Year ended 31.12.2020 (Audited)
1. Revenue from Operations	6,879	7,545	7,203	29,566	29,019
2. Other Income	163	147	162	744	898
3. Total Income (1+2)	7,042	7,692	7,365	30,310	29,917
4. Expenses					
(a) Cost of Materials Consumed	1,288	1,456	1,483	5,551	5,914
(b) Purchases of stock in trade	1,670	1,996	1,609	7,086	6,047
(c) Changes in Inventories of finished goods, work-in-progress and stock-in-trade	126	(130)	68	431	575
(d) Employee benefits expense	1,082	1,074	1,072	4,339	4,608
(e) Finance costs	4	5	4	18	18
(f) Depreciation and amortisation expense	109	143	204	667	822
(g) Other expenses	1,441	1,161	1,301	4,534	4,744
Total Expenses	5,720	5,705	5,741	22,626	22,728
5. Profit before exceptional item and tax (3-4)	1,322	1,987	1,624	7,684	7,189
6. Exceptional item (Refer notes 4 & 5)	-	4,892	78	4,892	(417)
7. Profit before tax (5+6)	1,322	6,879	1,702	12,576	6,772
8. Tax expense					
Current Tax	430	1,714	467	3,360	2,110
Deferred Tax	(12)	(133)	5	(228)	(114)
9. Profit for the year/period (7-8)	904	5,298	1,230	9,444	4,776
10. Other comprehensive income (OCI) (Net of Tax)	(33)	-	(51)	(33)	(88)
11. Total comprehensive income for the year/period (9+10)	871	5,298	1,179	9,411	4,688
12. Paid-up equity share capital (Face Value of ₹ 10 per share)	230	230	230	230	230
13. Other equity	-	-	-	22,026	20,960
14. Basic and diluted earnings per share (not annualised)	39.25	230.04	53.41	410.06	207.38

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SANOFI INDIA LIMITED
Statement of Assets and Liabilities

₹ in Million

	As at December 31, 2021 Audited	As at December 31, 2020 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	2,724	2,973
Capital work in progress	89	63
Right-of-use assets	604	593
Goodwill	-	731
Other intangible assets	13	344
Intangible assets under development	39	37
Financial assets		
(i) Loans	4,574	4,579
(ii) Other financial assets	32	32
Current tax assets (Net)	1,111	1,456
Other Non-Current Assets	45	44
Total non-current assets	9,231	10,852
Current assets		
Inventories	3,924	3,680
Financial assets		
(i) Trade receivables	1,429	1,480
(ii) Cash and cash Equivalents	15,380	11,974
(iii) Bank Balances other than (ii) above	123	112
(iv) Loans	45	57
(v) Other Financial Assets	-	281
Other current assets	439	708
	21,340	18,292
Assets classified as held for sale	39	41
Total current assets	21,379	18,333
TOTAL ASSETS	30,610	29,185
EQUITY AND LIABILITIES		
Equity		
Equity share capital	230	230
Other equity		
Reserves and surplus	22,026	20,960
Total equity	22,256	21,190
LIABILITIES		
Non-current liabilities		
Financial liabilities		
(i) Lease liabilities	176	179
Employee benefit obligations	619	646
Deferred tax liabilities (Net)	63	302
Total non-current liabilities	858	1,127
Current liabilities		
Financial liabilities		
(i) Lease liabilities	70	47
(ii) Trade payables		
(a) Outstanding dues of micro enterprises and small enterprise	285	134
(b) Outstanding dues of creditors other than micro enterprises and small enterprises	3,482	3,049
(iii) Other financial liabilities	82	100
Provisions	1,300	1,485
Employee Benefit Obligations	1,064	992
Current tax liabilities (net)	1,067	901
Other Current Liabilities	137	149
	7,487	6,857
Liabilities directly associated with assets classified as held for sale	9	11
Total current liabilities	7,496	6,868
TOTAL EQUITY AND LIABILITIES	30,610	29,185



Sanofi India Limited
Statement of Cash Flows for the year ended December 31, 2021

₹ in Million

Particulars	Year ended December 31, 2021 Audited	Year ended December 31, 2020 Audited
Cash flow From operating activities		
Profit before tax	12,576	6,772
Adjustment for :		
Depreciation and amortization	667	822
Unrealised exchange Loss (net)	7	15
(Gain) on sale of asset held for sale, (Gain)/Loss on Write-off of property, plant and equipment /Intangible assets (net)	(66)	28
(Gain) from transfer of Nutraceuticals business (net of incidental expenses) (Refer note 4)	(4,892)	-
Loss / Impairment charge and other incidental expenses on sale of Ankaleshwar Manufacturing unit (Refer note 5)	-	417
Finance costs	18	18
Interest income	(631)	(780)
Share based payment	61	117
Provision for bad and doubtful debts (net)	18	4
Provision for doubtful advances and deposits (net)	(2)	9
Operating profit before working capital changes	7,756	7,422
Adjustments for (increase) / decrease in operating assets		
Non-current financial assets	1	8
Other non-current assets	1	(4)
Inventories	(336)	(222)
Trade receivables	12	52
Current financial assets	9	(66)
Other current assets	265	722
Adjustments for increase / (decrease) in operating liabilities		
Employee benefit obligations	98	71
Trade payables	671	(18)
Current financial liabilities	26	(21)
Other current liabilities & provisions	(66)	100
Cash generated from operations	8,437	8,044
Taxes paid (net of refunds)	(2,849)	(1,933)
Net Cash flow from operating activities (A)	5,588	6,111
Cash flow from Investing activities		
Sale proceeds of assets held for sale and property, plant and equipment	105	4
Sale proceeds of Ankaleshwar manufacturing unit [net of incidental expenses (Refer Note 5)]	273	2,394
Sale proceeds of Nutraceuticals business [net of incidental expenses (Refer Note 4)]	5,529	-
Interest received	631	780
Loan given	(50)	(400)
Loan repaid	50	400
Purchase of property, plant and equipment and Intangible assets	(230)	(414)
Net cash from investing activities (B)	6,308	2,764
Cash flow from financing activities		
Principal elements of lease payments	(66)	(46)
Interest paid	(18)	(16)
Dividend paid	(8,406)	(8,038)
Net cash (used in) financing activities (C)	(8,490)	(8,100)
Net increase in cash and cash equivalents (A+B+C)	3,406	775
Effect of Exchange differences on cash and cash equivalents held in foreign currency	*	-
Cash and Cash Equivalents at the beginning of the year	11,974	11,199
Cash and Cash Equivalents at the end of the year	15,380	11,974
Non- cash financing and investing activities (D)		
Acquisition of Right-of-use assets	94	10
Components of Cash and Cash Equivalents		
Cash and Cash Equivalents	15,380	11,974

* denotes figure less than a million



Notes:

1. The above Results have been reviewed by the Audit Committee at its meeting held on February 22, 2022 and approved by the Board of Directors of the Company at its Meeting held on February 23, 2022.
2. The Board has recommended a dividend of ₹ 181 per equity share of ₹ 10 for the year ended December 31, 2021. In addition, considering the closure of the slump sale transaction relating to the Nutraceutical Business and after reviewing the cash requirements for the Company's operations, a special dividend of ₹ 309 per equity share of ₹10 is being recommended. The total dividend of ₹ 490 per equity share of ₹10 will be paid after approval of shareholders at the ensuing Annual General Meeting of the Company.
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. 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 has been closed on September 30, 2021. Subsequent to the closing, the final consideration of ₹ 5,860 million (after working capital adjustments) has been received in full and during the quarter ended September 30, 2021, the Company has accounted for gain of ₹ 4,892 million which has been disclosed as an exceptional item.
5. During the year ended December 31, 2020, the Company had transferred its Ankleshwar manufacturing facility to Zentiva Private Limited. The final consideration after working capital adjustments of ₹ 3,001 million has been received in full. Costs relating to this transfer, aggregating ₹ 417 million, were disclosed as an exceptional item in the year ended December 31, 2020.
6. The Board of Directors of the Company at its meeting held on 25th November, 2021, approved the transfer of certain assets namely marketing intangibles, customer lists/database, trade channel knowledge/wholesaler lists, vendor/supplier data-base, 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 for a consideration of approximately ₹ 1,250 million, subject to working capital adjustments, if any, as on closing date. 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.
7. The figures for the quarter ended December 31, 2021 and December 31, 2020 are the balancing figures between audited figures in respect of the full financial year up to December 31, 2021 and December 31, 2020 and the unaudited published year-to-date figures up to September 30, 2021 and September 30, 2020, which was subject to limited review, being the date of the end of the third quarter of the said financial year.
8. The Company has a single business segment namely 'Pharmaceutical Business'.
9. The figures for the previous period/year have been regrouped/reclassified, wherever necessary to conform to current period/year classification.

February 23, 2022

SANOFI INDIA LIMITED


RAJARAM NARAYANAN
MANAGING DIRECTOR
DIN: 02977405



Price Waterhouse & Co Chartered Accountants LLP

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, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and 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, 2021, 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 (SAs) 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 matter

4. Key audit matter is that matter, which, in our professional judgment, was of most significance in our audit of the financial statements of the current year. This matter was 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 the matter.

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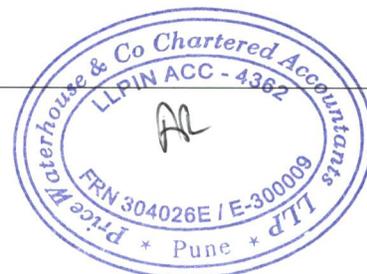
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Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Sanofi India Limited
Report on audit of the Financial Statements
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Key audit matter	How our audit addressed the key audit matter
<p>Appropriateness of provisions recognised and disclosures made in respect of certain regulatory and tax matters</p> <p>Refer Notes 23, 39(a), 43 and 45 to the financial statements.</p> <p>Being in the pharmaceutical industry, the Company is highly regulated by various authorities like the National Pharmaceutical Pricing Authority and other regulators, and it has outstanding regulatory cases under the Drug (Prices Control) Order, 1979 (DPCO 1979) and Drug Prices Control Order, 2013 (DPCO 2013) relating to prices charged for some of its formulations.</p> <p>The Company has received the following demands in the earlier years:</p> <p>DPCO 1979 - Demand of Rs. 861 million, against which provision of Rs. 205 million was recognised.</p> <p>DPCO 2013 – Matter remanded back to National Pharmaceutical Pricing Authority (NPPA) by the Hon'ble Delhi High Court, however, provision recognised in earlier years has been retained of Rs. 162 million.</p> <p>In respect of the above matters, based on the assessment done by the Management, in consultation with its legal advisors, the likelihood of any additional outflow is considered as remote.</p> <p>In addition to the above, there are several cases under direct and indirect tax laws which are pending for decision at various authority levels, in respect of which the Company has disclosed contingent liabilities of Rs. 2,781 million.</p> <p>The management's assessment with regard to the tax matters is supported by advice from independent consultants.</p> <p>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 liability or to be disclosed as a contingent liability, is inherently subjective, and needs careful evaluation and judgement to be applied by the management.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Understanding and evaluation of the design and testing the operating effectiveness of controls in respect of assessment of tax and regulatory exposures, their accounting and disclosures in the financial statements; • Obtaining a complete list of litigation matters and reviewing the underlying orders and other communication received from regulatory authorities and management's responses thereto to assess status of the litigations; • Evaluating the independence, objectivity and competence of management experts involved; • Reviewing opinion of management's legal adviser and consultants' 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 (a) regulatory matters and; (b) tax matters including involvement of our tax experts for assessing complex tax matters, based on recent rulings and latest developments in case laws; • Evaluating the Company's disclosures for accuracy and adequacy regarding the significant litigations of the Company. <p>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 regulatory and tax matters.</p>



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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.

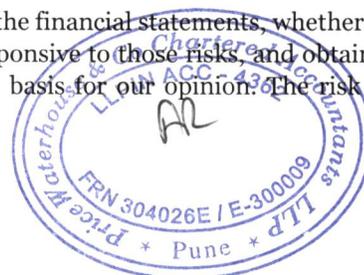
We have nothing to report in this regard.

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



Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Sanofi India Limited
Report on audit of the Financial Statements
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- 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, 2016 ("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.



Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Sanofi India Limited
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- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2021 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, 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 Note 23, 39, 43 and 45 to the financial statements;
 - ii. The Company has long-term contracts as at December 31, 2021 for which there were no material foreseeable losses. The Company did not have any long-term derivative contracts as at December 31, 2021;
 - 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 ended December 31, 2021.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended December 31, 2021.
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.

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

Asha Ramanathan

Asha Ramanathan
Partner

Membership Number: 202660

UDIN: 22202660ADKCBR4145

Place: Pune
Date: February 23, 2022

Price Waterhouse & Co Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 14(f) of the Independent Auditors' Report of even date to the members of Sanofi India Limited on the financial statements as of and for the year ended December 31, 2021

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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, 2021, 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 issued by the Institute of Chartered Accountants of India.

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

Asha Ramanathan

Asha Ramanathan
Partner

Membership Number: 202660

UDIN: 22202660ADKCBR4145

Place: Pune

Date: February 23, 2022

Price Waterhouse & Co Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Sanofi India Limited on the financial statements as of and for the year ended December 31, 2021

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- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, professional tax, employees' state insurance, income tax, duty of customs, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 39(b) to the financial statements regarding management's assessment on certain matters relating to provident fund.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no duty of customs, value added tax, service-tax, goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income-tax, sales tax and duty of excise as at December 31, 2021 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. 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	Assessment Year 2011-2012	Income Tax Appellate Tribunal
		1029	Assessment Years 2008 - 2009, 2011 - 2012 to 2019 - 2020	Upto Commissioner's level
The Central Sales Tax Act, 1956 and Local Sales Tax Acts	Sales tax	2	1999-2000	Sales Tax Appellate Tribunal
		4	1998 - 1999, 2008 - 2009 and 2012 - 2013 to 2013 - 2014	Upto Commissioner's level
The Central Excise Act, 1944	Export Obligation	4	2012 - 2014	Additional Director General of Foreign Trade
	Disallowance of MODVAT	39	2007 - 2008 to 2011 - 2012	Appellate Tribunal
	Excise Duty including interest and penalty, as applicable	23	1993 - 1997, 2005 - 2007, 2015 - 2016	Assistant Commissioner and Commissioner of Central Excise, Service Tax and Customs
Medicinal and Toilet Preparation (Levy of Excise Duty) Act, 1955	Dispute whether Central or State Excise Duty	23	January 1990 to August 1997	Central Board of Excise and Customs
		13	1996 - 1997 to 1998 - 1999	Commissioner of State Excise Duty, Maharashtra

^ Net of amounts paid under protest.



Price Waterhouse & Co Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Sanofi India Limited on the financial statements as of and for the year ended December 31, 2021

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- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
 - ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
 - x. 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 by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
 - xi. 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. Also refer paragraph 15 of Independent Auditor's Report.
 - xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are 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 such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
 - xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
 - xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him within the meaning of Section 192 of the Act. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
 - xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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

Asha Ramanathan

Asha Ramanathan
Partner

Membership Number: 202660

UDIN 22202660ADKCBR4145

Place: Pune

Date: February 23, 2022

Sanofi India declares INR 490 dividend per share on the back of divestments and strong domestic growth.

Mumbai, February 23, 2022. The Board of Directors of Sanofi India Limited approved the results for quarter and year ended 2021, today. The full year PAT increased by 98% from Rs 4,776 million in 2020 to Rs 9,444 million in 2021. The Company approved final dividend of Rs. 490 per share, which includes a special dividend of Rs 309 per share. The total revenue for the year 2021 stood at Rs. 29,566 million with a year-on-year growth of 2%. The domestic business delivered a strong growth of 13% (excluding the impact of the divestment transactions.)

The Company delivered on its commitment to drive operational efficiencies, enhance digital capabilities and reinvent ways of working. The divestment of the Company's nutraceuticals' business in Q3 2021 and the sale of its' Ankleshwar Site in Q2 2020 have also contributed to the lower operational cost. The profit before tax increased from Rs. 6,772 million in the year 2020 to Rs 12,576 million in the year 2021, an increase of Rs 5,804 million, on account of profit from sale of the nutraceuticals' business of Rs 4,892 million in 2021 and increase in operating profit. The return on capital employed was 34.6% (without exceptional items) as compared to 34% in previous year.

Through 2021, while there was a significant rise in the number of COVID-19 cases across the country, the Company stayed focused on affirming the safety and well-being of all our employees and partners; ensured uninterrupted supply of essential medicines; and maintained business continuity of our operations by adopting new ways of working to serve our customers, employees, partners and patients.

Rajaram Narayanan

Managing Director, Sanofi India Limited

"We have continued to grow our business in key therapies, while transforming our operations in all areas of the company. Despite the pandemic, our employees have been relentless in serving our patients and customers. Our solid 13% domestic market growth is testimony to their efforts. Recently the Sanofi group has launched a new brand identity that better represents who we are today i.e., a modern healthcare company bringing together dedicated talented people and cutting-edge science to transform the practice of medicine. Our purpose is to chase the miracles of science to improve people's lives."

About Sanofi India

As Sanofi India, we are in a great place to make a difference. For six decades, we have earned the trust of our customers and stakeholders, for our commitment to promoting health. As partners of hope in every Indian's health journey, we engage across the entire health cycle – from prevention with vaccines to wellness, treatment, patient support & capacity building.

About Sanofi

We are an innovative global healthcare company, driven by one purpose: we chase the miracles of science to improve people's lives. Our team, across some 100 countries, is dedicated to transforming the practice of medicine by working to turn the impossible into the possible. We provide potentially life-changing treatment options and life-saving vaccine protection to millions of people globally, while putting sustainability and social responsibility at the center of our ambitions.

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