

23<sup>rd</sup> February 2023

The Secretary  
Bombay Stock Exchange 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

## Outcome of the Board Meeting held on Thursday, 23<sup>rd</sup> February 2023

Dear Sirs,

We refer to our letter dated 7<sup>th</sup> February 2023 informing you of our Board Meeting that was scheduled today. In this regard, we would like to inform you that the Board of Directors at its meeting held today i.e., Thursday, 23<sup>rd</sup> February 2023, *inter-alia* considered and:

1. Approved the financial results of the Company for the quarter and year ended 31<sup>st</sup> December 2022;

Accordingly, we enclose a copy of the auditor's report and audited financial results of the Company for the quarter and year ended 31<sup>st</sup> December 2022 along with statement of assets and liabilities as on that date and statement of cashflows for the year ended 31<sup>st</sup> December 2022 as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for your information.

2. Recommended a final dividend of Rs. 194/- per equity share of the face value of Rs.10/- each and a second special dividend of Rs. 183/- per equity share of the face value of Rs.10/- each for the financial year ended 31<sup>st</sup> December 2022, subject to approval by the Shareholders at the 67<sup>th</sup> Annual General Meeting. The Company had earlier paid one-time special Interim Dividend of Rs. 193/- per equity share on 22<sup>nd</sup> August 2022.

The total dividend for the financial year 2022, including the proposed final dividend, one-time special interim dividend and second special dividend, amounts to Rs. 570/- per equity share of the face value of Rs.10/- each. The Dividend, if approved by the Shareholders will be paid on or after 22<sup>nd</sup> May 2023;

3. Approved convening of the 67<sup>th</sup> AGM of the Company on Thursday, 11<sup>th</sup> May 2023 through Video Conferencing / Other Audio-Visual Means (VC/ OAVM);
4. Resolved to close the Register of Members of the Company from Saturday, 29<sup>th</sup> April 2023 to Thursday, 11<sup>th</sup> May 2023 (both days inclusive) for the purpose of payment of final and second special Dividend for the year 2022.





Further, 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 31<sup>st</sup> December 2022.

Extract of the aforesaid results will be published in the newspapers in the format prescribed under Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The aforesaid financial results will also be available on the Company's website on <https://www.sanofiindialtd.com/en/investors/financial-results/financial-results-2022>

The meeting of Board of Directors commenced at 1:00 p.m. and concluded at 05.00 p.m.

Please take the above information on record.

Thanking you,  
Yours faithfully  
For **Sanofi India Limited**

**Radhika Shah**  
**Company Secretary & Compliance Officer**  
Membership No.: 19308



# 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, 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 (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 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.



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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E300009 (ICAI registration number before conversion was 304026E)

# Price Waterhouse & Co Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of Sanofi India Limited  
Report on Audit of the Financial Statements  
Page 2 of 6

Key audit matter	How our audit addressed the key audit matter
<p><b>Tax litigations and contingencies.</b> (Refer Note 9(a), 9(b), 39(a), 39(b) and 43 to the financial statements)</p> <p>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 Rs. 2,694 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 provision, or to be disclosed as a contingent liability, 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"> <li>• 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;</li> <li>• 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;</li> <li>• Evaluating the independence, objectivity and competence of management's experts involved;</li> <li>• Reading the management's experts advice, as applicable;</li> <li>• 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;</li> <li>• Evaluating appropriateness of the Company's disclosures in the financial statements.</li> </ul> <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 the tax matters.</p>

### 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.



# Price Waterhouse & Co Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of Sanofi India Limited  
Report on Audit of the Financial Statements  
Page 3 of 6

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.



# Price Waterhouse & Co Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of Sanofi India Limited  
Report on Audit of the Financial Statements  
Page 4 of 6

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.



# Price Waterhouse & Co Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of Sanofi India Limited  
Report on Audit of the Financial Statements  
Page 5 of 6

### 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.



# Price Waterhouse & Co Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of Sanofi India Limited  
Report on Audit of the Financial Statements  
Page 6 of 6

- 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



Arunkumar Ramdas  
Partner  
Membership Number: 112433  
UDIN: 23112433BGYMKU4843

Place: Mumbai  
Date: February 23, 2023

# 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, 2022

Page 1 of 7

- 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 phased 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 Rs. 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.



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# 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, 2022

Page 2 of 7

- 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 (Rs. in million)
Aggregate amount granted during the year	
- Employees	36
- Director	*
Balance outstanding as at the balance sheet date in respect of the above	
- Employees	20
- Director	*

(\* denotes figures less than a million)  
(Also refer note 15 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-free. In respect of loan to a related entity, the schedule of repayment of principal and payment of interest has been stipulated; however, the entity has prepaid the loan amount and also the entity was regular in payment of interest.
- (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.



# 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, 2022

Page 3 of 7

- 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.
- 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(1) 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.
- 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 generally regular in depositing the undisputed statutory dues in respect of goods and services tax, though there has been a slight delay in few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, duty of customs, cess and other material statutory dues, as applicable, with the appropriate authorities. Sales tax, service tax, duty of excise and value added tax are not applicable to the Company. Also, refer note 39(d) 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 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 (a) as at December 31, 2022 which have not been deposited on account of a dispute, are as follows:

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# 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, 2022

Page 4 of 7

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
		1,029	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
		10	1998 - 1999, 2008 - 2009, 2012 - 2013, 2015 - 2016	Upto Commissioner's level
The Central Excise Act, 1944	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 amount paid under protest.

- viii. 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 has 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(ix)(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 Wilful Defaulter by any bank or financial institution or government or any government authority.



# 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, 2022

Page 5 of 7

- (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.
- (f) 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(12) of the Act, in Form ADT-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(xi)(b) of the Order is not applicable to the Company.



# 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, 2022

Page 6 of 7

- (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(xii) 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 with the provisions of Section 192 of the Act under clause 3(xv) 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(xvi)(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(xvi)(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(xvi)(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(xvi)(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 (xviii) is not applicable.

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# 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, 2022

Page 7 of 7

- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also 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(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) 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 Ramdas  
Partner  
Membership Number: 112433  
UDIN: 23112433BGYMKU4843

Place: Mumbai  
Date: February 23, 2023

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# Price Waterhouse & Co Chartered Accountants LLP

## 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.

Page 1 of 2

## 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.



# Price Waterhouse & Co Chartered Accountants LLP

## 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.

Page 2 of 2

### 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.

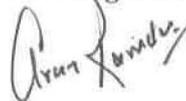
### Inherent Limitations of Internal Financial Controls with reference to financial statements

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: 304026E/ E-300009



Arunkumar Ramdas

Partner

Membership Number: 112433

UDIN: 23112433BGYMKU4843

Place: Mumbai

Date: February 23, 2023



**SANOFI INDIA LIMITED**

Registered Office : Sanofi House, C.T.S No - 117-B, L &amp; 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, 2022**

Particulars	₹ in Million				
	Quarter ended 31.12.2022 (Unaudited) Refer Note 7	Quarter ended 30.09.2022 (Unaudited)	Quarter ended 31.12.2021 (Unaudited) Refer Note 7	Year ended 31.12.2022 (Audited)	Year ended 31.12.2021 (Audited)
1. Revenue from Operations	6,719	6,919	6,879	27,701	29,566
2. Other Income	200	114	163	715	744
3. Total Income (1+2)	6,919	7,033	7,042	28,416	30,310
4. Expenses					
(a) Cost of Materials Consumed	1,226	1,218	1,288	5,497	5,551
(b) Purchases of stock in trade	1,508	1,136	1,670	6,510	7,086
(c) Changes in Inventories of work-in-progress, stock-in-trade and finished goods	77	539	126	(111)	431
(d) Employee benefits expense	1,036	973	1,082	4,059	4,339
(e) Finance costs	4	5	4	17	18
(f) Depreciation and amortisation expense	100	104	109	419	667
(g) Other expenses	1,203	1,234	1,441	4,702	4,534
Total Expenses	5,154	5,209	5,720	21,093	22,626
5. Profit before exceptional item and tax (3-4)	1,765	1,824	1,322	7,323	7,684
6. Exceptional items (Refer notes 4 & 5)	139	-	-	1,320	4,892
7. Profit before tax (5+6)	1,904	1,824	1,322	8,643	12,576
8. Tax expense					
Current Tax	630	527	430	2,452	3,360
Deferred Tax	(35)	(12)	(12)	(15)	(228)
9. Profit for the year/period (7-8)	1,309	1,309	904	6,206	9,444
10. Other comprehensive income (OCI) (Net of Tax)	5	-	(33)	5	(33)
11. Total comprehensive income for the year/period (9+10)	1,314	1,309	871	6,211	9,411
12. Paid-up equity share capital (Face Value of ₹ 10 per share)	230	230	230	230	230
13. Other equity	-	-	-	12,528	22,026
14. Basic and diluted earnings per share (not annualised)	56.84	56.84	39.25	269.47	410.06



**SANOFI INDIA LIMITED**  
**Statement of Assets and Liabilities**

	<b>As at December 31, 2022 Audited</b>	<b>As at December 31, 2021 Audited</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,463	2,724
Capital work in progress	188	89
Right-of-use assets	589	604
Intangible assets	3	13
Intangible assets under development	48	39
Financial assets		
(i) Loans	-	4,450
(ii) Other financial assets	147	156
Income tax assets (net)	1,099	1,111
Other Non-Current Assets	77	45
<b>Total non-current assets</b>	<b>4,614</b>	<b>9,231</b>
<b>Current assets</b>		
Inventories	4,080	3,924
Financial assets		
(i) Trade receivables	1,291	1,429
(ii) Cash and cash Equivalents	10,049	15,380
(iii) Bank Balances other than (ii) above	120	123
(iv) Loans	20	27
(v) Other Financial Assets	70	18
Other current assets	463	439
	<b>16,093</b>	<b>21,340</b>
Assets classified as held for sale	10	39
<b>Total current assets</b>	<b>16,103</b>	<b>21,379</b>
	<b>20,717</b>	<b>30,610</b>
<b>TOTAL ASSETS</b>		
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	230	230
<b>Other equity</b>		
Reserves and surplus	12,528	22,026
<b>Total equity</b>	<b>12,758</b>	<b>22,256</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Lease liabilities	149	176
Employee benefit obligations	355	619
Deferred tax liabilities (net)	49	63
<b>Total non-current liabilities</b>	<b>553</b>	<b>858</b>
<b>Current liabilities</b>		
Financial liabilities		
(i) Lease liabilities	87	70
(ii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	198	285
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	3,366	3,482
(iii) Other financial liabilities	113	82
Provisions	1,427	1,300
Employee Benefit Obligations	1,130	1,064
Current tax liabilities (net)	900	1,067
Other Current Liabilities	176	137
	<b>7,397</b>	<b>7,487</b>
Liabilities directly associated with assets classified as held for sale	9	9
<b>Total current liabilities</b>	<b>7,406</b>	<b>7,496</b>
	<b>20,717</b>	<b>30,610</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>20,717</b>	<b>30,610</b>



**Sanofi India Limited**  
**Statement of Cash Flows for the year ended December 31, 2022**

Particulars	Year ended December 31, 2022 Audited	Year ended December 31, 2021 Audited
<b>Cash flow From operating activities</b>		
<b>Profit before tax</b>	<b>8,643</b>	<b>12,576</b>
<b>Adjustment for :</b>		
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 5)	-	(4,892)
Gain on transfer of distribution business of Soframycin and Sofradex (net of incidental expenses) (Refer note 4)	(1,181)	-
Gain on sale of Property (net of incidental expenses) (Disclosed under Exceptional items) (Refer note 4)	(320)	-
Finance costs	17	18
Interest income	(589)	(631)
Share based payment	21	61
Provision for bad and doubtful debts (net)	(15)	18
Provision for doubtful advances and deposits (net)	1	(2)
<b>Operating profit before working capital changes</b>	<b>7,050</b>	<b>7,756</b>
<b>Adjustments for (increase) / decrease in operating assets</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>
<b>Cash flow from Investing activities</b>		
Sale proceeds of property, plant and equipment and assets held for sale	33	105
Sale proceeds of Ankleshwar manufacturing unit (net of incidental expenses)	-	273
Sale proceeds of Nutraceuticals business (net of incidental expenses) (Refer Note 5)	-	5,529
Sale proceeds of distribution business of Soframycin and Sofradex (net of incidental expenses) (Refer note 4)	1,339	-
Gain on sale of Property (net of incidental expenses) (Disclosed under Exceptional items) (Refer note 4)	320	-
Interest received	589	631
Loan given	-	(50)
Repayment 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>
<b>Cash flow from financing activities</b>		
Principal elements of lease payments	(80)	(66)
Interest paid	(17)	(18)
Dividend paid	(15,730)	(8,406)
<b>Net cash outflow from financing activities (C)</b>	<b>(15,827)</b>	<b>(8,490)</b>
<b>Net (decrease) /increase in cash and cash equivalents (A+B+C)</b>	<b>(5,331)</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>
<b>Non- cash financing and investing activities (D)</b>		
Acquisition of Right-of-use assets	78	94
<b>Components of Cash and Cash Equivalents</b>		
<b>Cash and Cash Equivalents</b>	<b>10,049</b>	<b>15,380</b>

\* 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, 2023 and approved by the Board of Directors of the Company at its Meeting held on February 23, 2023.
2. The Board has recommended a final dividend of ₹ 194 per equity share of ₹ 10 for the year ended December 31, 2022. In addition, considering the closure of the sale transaction relating to the distribution business of Soframycin, closure of sale transactions relating to idle property assets of the Company and after reviewing the cash requirements for the Company's operations, a second special dividend of ₹ 183 per equity share of ₹10 for the financial year 2022 is being recommended. The total dividend of ₹ 377 per equity share of ₹10 will be paid after approval of shareholders at the ensuing Annual General Meeting of the Company.

During the year under review, the Board of Directors had approved and paid a one-time special Interim Dividend of ₹193 per equity share of ₹ 10 for the year ending December 31, 2022, this was considering the full repayment of the loan of Rs 4,450 Million which was extended to Sanofi Healthcare India Private Limited. This was paid on 22nd August, 2022.

The total dividend for the financial year 2022, including the proposed final dividend, one time special interim dividend and second special dividend, amounts to Rs. 570 per equity share of Rs. 10 each.

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 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, during the quarter ended March 31, 2022, 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.

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 ₹181 million.

5. During the year ended December 31, 2021, the Company had transferred its Nutraceuticals business to Universal Nutriscience Private Limited and had accounted for gain of ₹ 4,892 million, which had been disclosed as an exceptional item in the previous year.
6. Sales for year ended December 31, 2022 are not comparable with the previous year due to the sale of the Nutraceutical business and sale of the distribution business of Soframycin and Sofradex. The previous year also had exceptionally higher domestic sales in several therapy areas, due to the outbreak of Covid-19.
7. The figures for the quarter ended December 31, 2022 and December 31, 2021 are the balancing figures between audited figures in respect of the full financial year up to December 31, 2022 and December 31, 2021 and the unaudited published year-to-date figures up to September 30, 2022 and September 30, 2021, 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 year/period have been regrouped/reclassified, wherever necessary to conform to current year/period classification.

February 23, 2023



SANOFI INDIA LIMITED

  
RODOLFO HROSZ  
MANAGING DIRECTOR  
DIN: 09609832