



## SANOFI INDIA LIMITED

Registered Office: Sanofi House, CTS No.117-B, L&T Business Park, Saki Vihar Road, Powai, Mumbai 400072  
Tel.: +91(22) 2803 2000 Fax: +91(22) 2803 2939 Website: [www.sanofiindia.com](http://www.sanofiindia.com) Email: [igrc.sil@sanofi.com](mailto:igrc.sil@sanofi.com)  
Corporate Identity Number: L24239MH1956PLC009794

### POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

Notice is hereby given to the members of the Company, pursuant to Section 110 of the Companies Act, 2013 (the Act), read with Rule 22 of the Companies (Management and Administration) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and other applicable provisions, if any, for seeking consent / approval of the members of the Company by way of an Ordinary Resolution in respect of a related party transaction to be entered into with Shantha Biotechnics Private Limited (SBPL), a 'Related Party' as defined under Section 2(76) of the Act and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The Explanatory Statement pertaining to the Resolution setting out the material facts and the reasons thereof is annexed hereto along with the Postal Ballot Form for your consideration.

In the event, the Resolution as set out in the Notice are assented to by the requisite majority by means of e-voting or Postal Ballot (whichever method the member opts for), it shall be deemed to have been passed as Special Business at the General Meeting convened in that behalf. The last date of the receipt of duly completed Postal Ballot Forms or e-voting shall be the date on which the Resolution would be deemed to have been passed, if approved by the requisite majority.

The Board of Directors of the Company has appointed Ms. Malati Kumar or failing her Ms. Aparna Gadgil, of M/s. S. N. Ananthasubramanian & Co., Company Secretaries as the Scrutinizer for conducting the Postal Ballot and e-voting process in accordance with the provisions of the Act and the Rules made thereunder in a fair and transparent manner. Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 17.00 hours (IST) on 27th August 2017.

Members desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions under section 'Voting through Electronic means' in this Notice.

The Scrutinizer will submit her report to the Chairman or any Director of the Company on or before 1st September 2017. The result of Postal Ballot (including e-voting) shall be declared on or before 1st September 2017 at the Company's registered office. In addition to the results being communicated to the BSE Limited and the National Stock Exchange of India Limited, it shall also be displayed at the Company's registered office and on the Company's website [www.sanofiindia.com](http://www.sanofiindia.com).

### SPECIAL BUSINESS:

#### Approval for Related Party Transaction with Shantha Biotechnics Private Limited by way of an Ordinary Resolution:

"RESOLVED THAT pursuant to the Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), approval of the members be and is hereby accorded to the Board of Directors, for increasing the loan from Rs. 3,300 million to Rs.4,450 million i.e. grant of an additional loan of Rs.1,150 million to Shantha Biotechnics Private Limited, a 'Related Party' as defined under Section 2(76) of the Companies Act, 2013 and the Listing Regulations, up to 15th April 2019 or such further period of time as may be decided by the Board of Directors and at interest rate of 9.5% per annum or such rate of interest as may be decided by the Board of Directors from time to time based on the approval of the Audit Committee and on such other terms and conditions as may be mutually agreed upon between the Company and Shantha Biotechnics Private Limited.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, deeds and things, settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party, finalize the terms and conditions as may be considered necessary, expedient or desirable and execute such agreements, documents and writings and to make such filings as may be necessary or desirable, in order to give effect to this Resolution in the best interest of the Company."

**By Order of the Board**

**GIRISH TEKCHANDANI  
COMPANY SECRETARY**

5th May 2017  
Mumbai

#### Note:

Explanatory Statement pursuant to Section 102 of the Act, in respect of the business specified above is annexed.

## EXPLANATORY STATEMENT

### Relationship between the companies

Shantha Biotechnics Private Limited (SBPL) is a 'Related Party' within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations.

Sanofi SA, France is the ultimate holding company of both the Company and SBPL.

### Background of the transaction

The Company took approval of members at 60th Annual General Meeting held on 29th April 2016 for entering into Related Party Transactions with SBPL for grant of loan up to Rs.3,300 million up to 15th April 2017 (or such extended period of time as may be decided by the Board of Directors) at interest rate of 9.5% per annum payable quarterly or at such rate of interest as may be mutually decided by the Board of Directors (on the approval of the Audit Committee) and SBPL but not lower than the prevailing yield of Government security closest to the tenor of the loan.

The Board of Directors at its meeting held on 27th February 2017, approved extending the tenure of this loan up to 15th April 2019. SBPL has requested the Company for a further loan of Rs.1,150 million on the same terms and conditions for expansion of its manufacturing facility.

### Surplus fund available with the Company

The Company has surplus funds which it presently deploys in deposits with banks for period(s) not exceeding 90 days. The interest on such deposits is around 6% per annum.

### Review of the proposed transaction

The Audit Committee considered this request at its meeting held on 3rd May 2017 on the following parameters:

#### Safety

The financial position of SBPL is sound and debt-equity ratio is in the acceptable limits.

The loan amount including the additional loan amount and interest accrued thereon shall be fully guaranteed by Sanofi SA.

#### Return

By lending to SBPL at 9.5% per annum, the Company earns a higher rate of interest than by placing it in deposits with banks. The deposits with banks are unsecured whereas the repayment of the loan to SBPL and interest thereon has been fully guaranteed by Sanofi SA.

The Board of Directors of the Company, on the recommendation of the Audit Committee, passed a resolution at its meeting held on 5th May 2017, approving of the Company granting a further loan of Rs. 1,150 million to SBPL up to 15th April 2019 at interest rate of 9.5% per annum, payable quarterly.

The enhanced limit of the loan of Rs.4,450 million is within the limit specified in Section 186 of the Act, viz. 60% of the paid-up share capital, free reserves and securities premium account or 100% of the free reserves and securities premium account of the Company, whichever is more.

As the enhanced limit of Rs.4,450 million exceeds 10% of the Company's turnover for the last financial year ended 31st December 2016, the loan would be deemed to be a 'material' related party transaction. Under Regulation 23(4) of the Listing Regulations, all material related party transactions have to be approved by Ordinary Resolution of the shareholders and the related parties shall abstain from voting on such Resolution whether the entity is a related party to the transaction or not.

### Disclosures

The particulars of the transaction are as under:

Particulars	Information
Name of the Related Party	Shantha Biotechnics Private Limited
Name of Director(s) or Key Managerial Personnel who is related	None
Nature of Relationship	The Company and SBPL are both indirect subsidiaries of Sanofi SA, France
Material terms of the transaction	Increase in the loan from Rs. 3,300 million to Rs.4,450 million i.e. grant of an additional loan of Rs. 1,150 million to SBPL. The entire loan of Rs. 4,450 million to be given to SBPL up to 15th April 2019 (or such extended period of time as may be decided by the Board of Directors) at interest rate of 9.5 % per annum payable quarterly or at such rate of interest as may be mutually decided by the Board of Directors (on the approval of the Audit Committee) and SBPL but not lower than the prevailing yield of Government security closest to the tenor of the loan.
Monetary Value	Additional loan of Rs.1,150 million
Whether the transactions have been approved by Audit Committee and the Board of Directors	Yes
Any other information relevant or for the member	-

The Board is of the opinion that the aforesaid related party transaction is in the best interests of the Company. The Board, therefore, recommends the Resolution set out in the Notice for the approval of the members in terms of Regulation 23(4) of the Listing Regulations.

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

### Instructions for Voting

1. The voting period begins on 28th July 2017 at 9.00 hours (IST) and ends on 27th August 2017 at 17.00 hours (IST). Any physical ballots received shall not be considered and the e-voting module shall be disabled by CDSL for voting thereafter.
2. The Postal Ballot Notice is being sent to all the members, whose names appear in the Register of Members / Records of Depositories as on the close of working hours on 14th July 2017. Voting Rights shall be reckoned on the paid-up value of the shares registered in the name of the members as on 14th July 2017. The Postal Ballot Notice is sent electronically to all the members who have registered their email addresses with the Company / Depositories and to other members by Speed Post / Registered Post / Courier.
3. Ms. Malati Kumar or failing her Ms. Aparna Gadgil, of M/s. S. N. Ananthasubramanian & Co., Company Secretaries has been appointed as Scrutinizer for conducting the Postal Ballot process in accordance with the law in a fair and transparent manner.
4. The Scrutinizer will submit her report on e-voting / Postal Ballot, to the Chairman or any Director of the Company. The Chairman or in his absence, any Director will announce the results of Voting by Postal Ballot on or before 1st September 2017. The Scrutinizer's decision on the validity of the votes cast through e-voting / Postal Ballot shall be final. The Results of the e-voting / Postal Ballot will be displayed at the Registered Office and on the website of the Company and intimated to the Stock Exchanges on which the shares of the Company are listed.
5. Members desiring to exercise their vote by using e-voting facility should carefully follow the instructions for e-voting printed in this Notice.
6. Members desiring to exercise their vote by using Postal ballot Form should read the instructions carefully printed in the overleaf of the Postal ballot Form which is enclosed along with the Notice.
7. A member can opt for only one mode of voting, i. e. either through e-voting or by Postal Ballot Form. If a member casts vote by both modes, then voting done through e-voting shall prevail and Postal Ballot Form shall be treated as invalid.

### Voting through Electronic means (E-voting)

- (i) The Company has engaged Central Depository Services (India) Limited ("CDSL") to offer e-voting facility to all its members to enable them to cast their votes electronically. E-voting is optional for members. A member who wish to vote by Postal Ballot Form (instead of e-voting) can use the enclosed Postal Ballot Form or download it from the link [www.sanofiindia.com](http://www.sanofiindia.com)
- (ii) The members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - i. For CDSL: 16 digits beneficiary ID,
  - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - iii. Members holding shares in physical form should enter folio number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For members holding shares in demat form and physical form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Members who have not updated their PAN with the Company/Depository Participant are requested to use default PAN which is printed on the Postal Ballot Form
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.  If both the details are not recorded with the Depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.
- (xi) Click on the EVSN for Sanofi India Limited.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxi) For any grievances connected with facility for e-voting members may contact:  
Mr Girish Tekchandani, Company Secretary  
Address: Sanofi House, CTS No.117-B, L&T Business Park, Saki Vihar Road, Powai, Mumbai 400 072, India.  
Tel.: (022) 28032000  
Email: [igrc.sil@sanofi.com](mailto:igrc.sil@sanofi.com)