



INSTITUT MERIEUX



Lyon, 25th November 2021

Press Release

Press release issued in accordance with the Indian Taxation Laws (Amendment) Act, 2021 read with the relevant Rules

In August 2009, Sanofi SA (legal successor to Sanofi Aventis Amerique Du Nord), incorporated in France, had purchased equity shares of M/s. ShanH SAS ("ShanH"), a French Company, from Institut Merieux (previously known as Merieux Alliance) ("IM") and Groupe Industriel Marcel Dassault ("GIMD"), both entities incorporated in France. Consequently, about 80% of the equity shares in Shanta Biotechnics Ltd., an Indian company, which were held by ShanH were indirectly held by Sanofi SA. This purchase is hereinafter referred to as 'Transaction'. In respect of the Transaction, Indian income-tax authorities sought to tax capital gains on such indirect transfer of shares by IM and GIMD to Sanofi SA (collectively, "Entities"). In furtherance of this, the Indian income-tax authorities issued orders dated 25th May 2010 under Section 201, and orders dated 15th November 2011 and 30th July 2012 under Section 154 of the Indian Income Tax Act, 1961, confirming liability in respect of the Transaction against Sanofi SA (collectively, the "Sanofi Orders"). The High Court of Andhra Pradesh in India by way of its order dated 15th February 2013 decided the issue in favour of the Entities and held that taxation of capital gains arising against the Transaction was not sustainable under Indian law and would be taxable only in France, per the terms of the Double Taxation Avoidance Agreement between the Government of the Republic of India and the Government of the French Republic. The Indian Income-tax Department has filed appellate proceedings against such order which are presently pending before the Supreme Court of India.

Recently, the Government of India has passed the Taxation Laws (Amendment) Act, 2021 ("*Indian Amendment Act*") with the stated objective to settle the non-taxability of indirect transfers occurring prior to 28th May 2012 and to resolve the pendency of disputes pertaining to this issue without any recovery of demand by the Indian Income-tax Department. As against such assurance, the Entities are required to fulfil certain conditions for final closure of the disputes. To effect this scheme, the Indian Income-tax Department issued ancillary rules dated 1st October 2021 ("Rules") prescribing the procedure through which pending matters will be withdrawn by the Government of India.

As required by the Rules, IM is taking all steps as appropriate, including filing the appropriate undertakings, indemnities, disclosures, etc. with the Government of India in order to effectuate the full and final closure of any present or future proceedings pertaining to the Sanofi Orders which have or may be initiated by or on behalf of the Government of India.

By making the relevant filings as prescribed by the Rules and signing the associated Part M of the Annexure to the undertaking in Form No. 1, IM makes the following statements under clause (k) of the undertaking –

1. any claims arising out of or relating to the Sanofi Orders or any related award, judgment or court order no longer subsist;



2. IM forever irrevocably forgo any reliance on any right and provisions under any award, judgment or court order pertaining to the Sanofi Orders or under the Sanofi Orders;
3. IM has provided this undertaking, which includes a complete release of the Republic of India and any Indian Affiliates with respect to any award, judgment or court order pertaining to the Sanofi Orders or under the Sanofi Orders, and with respect to any claim pertaining to the Sanofi Orders;
4. the undertaking also includes an indemnity against any claims brought against the Republic of India or any India affiliate, contrary to the release, pertaining to the Sanofi Orders;
5. IM confirms it will treat any such award, judgment or court order pertaining to the Sanofi Orders as null and void and without legal effect to the same extent as if it had been set aside by a competent court and will not take any action or initiate any proceeding or bring any claim based on that; and
6. Michel BAGUENAUULT DE PUCHESSE, Chief Executive Officer, will sign the undertaking and related documents required under the Rules on behalf of IM.

Michel BAGUENAUULT DE PUCHESSE
Chief Executive Officer
michel.baguenaault@institut-merieux.com

Je soussigné Me Frédéric DIRAND, Notaire à LYON,
Certifie matériellement la signature de
Michel Baguenault de Puchesse
Apposée sur le présent document.

Cette certification ne comporte aucune vérification de
l'exactitude des faits et actes mentionnés dans le présent document





INDE

APOSTILLE
(Convention de La Haye du 5 octobre 1961)

1. République française
Le présent acte public

2. a été signé par **Frédéric DIRAND**

3. agissant en qualité **de notaire associé**

4. est revêtu du sceau/timbre de son étude à **LYON (Rhône)**
COUR D'APPEL

Attesté

5. à **LYON**

6. le **26 Novembre 2021**

7. par le Procureur Général près la Cour d'appel de Lyon

8. sous le n° **15197 (2 pages)**

9. Sceau

10. Signature
Jean-François PISCIONE



"L'Apostille confirme seulement l'authenticité de la signature, du sceau ou timbre sur le document. Elle ne signifie pas que le contenu du document est correct ou que la République française approuve son contenu."