

Ladies and Gentlemen,

On behalf of the Board of Directors, I have pleasure in welcoming you to the Fifty-eighth Annual General Meeting of your Company.

As is customary, before I turn to the normal business of the Meeting, I would like to highlight some important developments that have taken place since we last met.

The Indian economy continues to grow at sub 5% level which is a matter of great concern. Overall investment climate in the country needs a boost as we need to create more jobs with faster pace of GDP growth. The economy has also had to contend with inflationary pressures. The Reserve Bank of India has been focused on keeping inflation in check and supporting growth revival.

Pharmaceutical Industry

2013 was a watershed year for the Indian pharmaceutical industry. After recording double digit growth for a number of years, last year, the growth tapered down below 10%.

There were many factors for the unprecedented slowdown we witnessed in our industry. Some of the causes for slow down include :

Introduction of new DPCO 2013 which brought down prices of essential medicines significantly. The resultant impact - both at distribution level and on industry's growth - was substantial. Unfortunately, the regulatory slowdown in terms of approval of new products, approval of new clinical trials, etc. further contributed to the industry's inability to withstand the slowdown.

There is an urgent need for all stakeholders to address some of the road blocks. It is only through mutual trust and understanding of each other's issues between Government and industry, that we can hope to resolve policy impediments to growth.

In the recent times, quality of medicines exported from India has come under serious scrutiny - especially by US FDA.

The industry must adhere to highest standards of quality in order to get universal recognition for pharmaceuticals 'Made in India'. I also believe that pharmaceutical industry should adhere to the common code for medico marketing ethics to build trust amongst all the stakeholders. With the concerted efforts of everyone, I am optimistic that the Indian Pharma industry has the potential to accelerate and contribute to India's healthcare problems as well as support global access issues.

India's healthcare challenges can be addressed by creating an eco system for innovation. Government must make all efforts to protect intellectual property which can only serve as incentive for continued innovation. India must be second to none in pursuing innovation and giving the right messages to the international community to come and partner with our buoyant domestic industry.

Company Performance

The Annual Report for 2013 was sent to you in March 2014. Thanks to robust export performance, your Company has been able to withstand the slowdown in domestic pharma market and has posted strong sales and EBITA growth. In a very difficult year, your Company's performance is highly satisfactory.

In view of the growth in Profit, your Company's Board of Directors recommends increasing the dividend to Rs.45 per equity share of Rs.10 (Interim dividend of Rs.10 paid in August 2013 and proposed Final dividend of Rs.35 per share) to be in line with its policy to distribute around 40% of the Net Profit.

Going forward, your Company will continue to focus and invest in the identified growth platforms such as Diabetes and Consumer Healthcare segments.

I take this opportunity to place on record my gratitude to my colleagues on the Board for their cooperation and help during the year. I also acknowledge and appreciate the support received by your Company from its collaborators. I would also like to thank shareholders, bankers, the medical profession, our distributors and the consumer public for their support and continued patronage. The support received from Government departments, both at the Central and State levels, is gratefully acknowledged.

Before I conclude, I place on record my deep appreciation for the dedication and hard work put in by all employees of your Company.

DR. VIJAY MALLYA

Mumbai
29th April 2014

SANOFI INDIA LIMITED

Speech of the Chairman

Dr. Vijay Mallya

delivered at the Fifty-eighth

Annual General Meeting
of the Company
held on 29th April 2014

SANOFI

Note: This does not purport to be a record of proceedings of the Annual General Meeting.