



2nd May 2016

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400001

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block,
Bandra Kurla Complex
Bandra (East), Mumbai 400051

Scrip Code: 500674

Scrip Code: SANOFI

Dear Sirs,

Re: Speech of the Managing Director delivered at the Annual General Meeting held on 29th April 2016

We enclose herewith a copy of the Speech of the Managing Director, Dr. Shailesh Ayyangar delivered at the Annual General Meeting held on 29th April 2016.

Thanking you,

Yours faithfully,

SANOFI INDIA LIMITED

K.SUBRAMANI
COMPANY SECRETARY

Encl: a/a

Dear Shareholders

On behalf of the Board of Directors, I welcome you all to the 60th Annual General Meeting of Sanofi India Limited. This is a historic year - your Company marks a momentous 'Diamond Jubilee' milestone - a long legacy of dedication, determination and devotion towards making India a healthier nation.

It is indeed your unwavering faith and confidence in the Company that gives us the zeal, inspiration and motivation to continually strive for excellence.

Before I turn to the normal business of the meeting, let me highlight some of the significant developments that have taken place in the past one year.

Pharmaceutical Industry

The Union Finance Minister, Mr. Arun Jaitley has declared 'healthcare' as one of the nine pillars of the Union Budget, announced in February 2016. Our country's demographic dividend can accrue only if we give priority to the healthcare sector. However, we witnessed a conservative approach to increase financial outlay for the healthcare sector, in view of the

stated objective of increasing healthcare spends from the current 1.2% to 2.5% of GDP.

Several incentives have been provided for the healthcare sector. The Union Finance Minister is looking at making quality medicines available at affordable prices by opening 3000 generic drugs stores, health protection insurance cover, with additional benefits for senior citizens, 'National Dialysis Services Programme' - a PPP under the National Health Mission, are all welcome steps.

While the industry had hoped that concessions on R&D for the life sciences sector would continue at 20%, the Union Finance Minister announced that these would be phased out, in alignment with other industries. There were also no proposals for incentives for pharmaceutical clusters, especially for the manufacturing of Active Pharmaceutical Ingredients (APIs). These incentives are necessary to make India, an 'Innovation Hub'.

New Medicines included under the National List of Essential Medicines

In December 2015, the Ministry of Health and Family Welfare notified the National List

of Essential Medicines, 2015 (NLEM 2015), resulting in over 100 new molecules being added and 70 molecules being excluded from the earlier list of 2011. A few of your Company's products have been included in NLEM 2015.

Ceiling prices for some of these products have already been announced and your Company has consequently reduced their prices with effect from April 2016. Your Company understands the responsibility of making and distributing affordable essential medicines to all sections of our society. However, the Government must not place the entire burden of access to healthcare on the Pharmaceutical industry alone. Any pricing regime must be predictable and transparent and must take into consideration the stringent requirements on the quality front that the manufacturers have to adhere to for patient safety.

Company Performance

Despite the significant impact suffered by your Company owing to price cuts imposed by the Government, sales grew by nearly double digits, due to its domestic and export performance. Profit before tax and exceptional items grew by almost 30%.

Leading brands of your Company continue to enjoy strong preference from both, doctors and patients, and have grown steadily.

Your Board of Directors has recommended an increased dividend payout at around 47% of the Net Profit of the Company for 2015. This includes a special one-time Diamond Jubilee Dividend of Rs. 8 per share.

Most of you would be aware, that our Chairman, Dr. Vijay Mallya informed the Board of Directors last month of his decision not to seek re-election at this Annual General Meeting. He would, therefore, cease to be a Director at the conclusion of this meeting. Having been a Director for over 42 years and Chairman of the Board for over 32 years, he felt that it was the right time for him to retire. Dr. Mallya leaves the Board at a time when our Company is financially strong with an impeccable track record. On behalf of the Sanofi Management and staff, Board of Directors, all shareholders and on my personal behalf, I convey our grateful thanks to Dr. Mallya for serving the interests of our Company for over 4 decades.

We live in a world where much needs to be done to make healthcare accessible to every citizen. Over the past sixty years, every day, your Company has been engaged in playing a responsible role in making quality medicines available for patients. With your cooperation and support, we will continue on this path and strive to make a real difference.

I wish to thank all our stakeholders, members of the medical and para-medical fraternity, our collaborators and the Government for their continued support and cooperation.

DR. SHAILESH AYYANGAR

Mumbai
29th April 2016

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



SANOFI INDIA LIMITED

Speech of the
Managing Director,

Dr. Shailesh Ayyangar
delivered at the Sixtieth
Annual General Meeting
of the Company
held on 29th April 2016

SANOFI