Company Performance

Despite the adverse environment caused by unexpected price cuts, your Company performed well in the domestic market in the year under review. Leading brands of your Company continue to enjoy strong preference from the doctors and patients and have grown steadily. Your Company also turned out a stellar performance on the exports front - touching all time high revenues of nearly Rs.500 crores.

Your Board of Directors has maintained the dividend payout at 40% of the Net Profit of the Company for 2014. I am sure you would also be happy to note that the share price of your Company has tripled over the last six years.

I take this opportunity to convey my gratitude to my colleagues on the Board for their co-operation and help during the year. I also acknowledge and appreciate the support received by your Company from its collaborators. I thank the shareholders, bankers, the medical professionals, our distributors and the consumer public for their support and continued patronage. I gratefully acknowledge the support received from Government departments - both at the Central and State levels.

Before I close, 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 2015

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

SANOFI INDIA LIMITED

Speech of the Chairman
Dr. Vijay Mallya
delivered at the Fifty-ninth
Annual General Meeting
of the Company
held on 29th April 2015

SANOFI

Dear Shareholders,

On behalf of the Board of Directors, I am glad to welcome you to the 59th Annual General Meeting of your Company. Your continued trust, encouragement and support are what gives us energy, enthusiasm, confidence and motivation to continuously strive for improvement.

Before I turn to the normal business of the meeting, let me highlight that more than ever there is a need for building a national consensus on creating effective healthcare infrastructure and delivery mechanism which ensures universal healthcare to all citizens of India. This would need bold commitment from the Government in terms of increased budgetary allocations and putting in place strong execution capabilities. The twin goals of building capacity and skills needed to provide quality healthcare are national priorities and I am confident that with positive partnership between Government and private sector, these goals are achievable.

Government has made 'Make in India' as a clear campaign to encourage manufacturing in India - to increase cost competitiveness as well as enable technology transfer and investment inflows. Your Company has been manufacturing in India since 1956 and is proud to be completely aligned with Government's intent.

Pharmaceutical Industry

Our industry continues to play a positive role in making quality medicines available to all sections of the society at affordable prices. The National List of Essential Medicines was developed through extensive consultations and these medicines are now available at amongst the lowest prices in the world. Rest of the medicines operate in a strong competitive environment and we would like the Government to resist from further price controls as it would weaken the industry's capabilities to invest in improved quality systems and in Research & Development.

In this connection, the surprise orde of the National Pharmaceutical Pricir Authority (NPPA) in July 2014 bringir several medicines under price contro outside the purview of the National Essential Medicines brought about hardship and unpredictability for the industry. Your Company was adverse impacted - especially some of its bes selling diabetes and cardiac range of medicines.

In the area of Clinical Research, regulatory environment has started getting better since 2014. The Indian health authorities are becoming mo positive towards allowing clinical research having adequate safeguard place to protect the patients. Already fresh clinical trials have bee initiated and the net result of this challenge is that India will have one most modern and internationally acceptable Clinical Trial norms, augu well for patients as well as sponsors these trials.