

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the sixty-fourth Annual General Meeting of Sanofi India Limited will be held on Tuesday, 7th July 2020 at 3.00 p.m. through video conferencing facility to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the financial statements of the Company for the year ended 31st December 2019 including the audited Balance Sheet as on 31st December 2019 and the statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare a final dividend of Rs. 106 per equity share and a one-time special dividend of Rs. 243 per equity share for the financial year ended 31st December 2019.
3. To re-appoint Mr. Rajaram Narayanan (DIN 02977405), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:
“RESOLVED THAT Mr. Cherian Mathew (DIN 08522813) who was appointed as an Additional Director by the Board of Directors under Section 161 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) with effect from 29th July 2019 and who holds office up to the date of this Annual General Meeting of the Company, be and is hereby appointed as Director of the Company, whose term of office shall be liable to retire by rotation.”
5. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to provisions of Sections 196 and 197 and all other applicable provisions of the Companies Act, 2013 read with Schedule V thereto, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) approval of members is hereby accorded to the appointment of Mr. Cherian Mathew (DIN 08522813) as Whole Time Director of the Company for a period of five years with effect from 29th July 2019 and to his receiving remuneration, benefits and amenities as Whole Time Director of the Company as set out in the Explanatory Statement annexed to the Notice of this Meeting and upon the terms and conditions and stipulations contained in an Agreement to be entered into between the Company and Mr. Cherian Mathew.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”
6. To consider, and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, M/s. Kirit Mehta & Co., Cost Accountants, to conduct the audit of the cost accounts maintained by the Company in respect of bulk drugs and formulations for the financial year ending 31st December 2020 be paid remuneration of Rs. 390,000 plus Goods and Services Tax and out of pocket expenses, in performance of their duties.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things as may be necessary to give effect to this Resolution.”

By Order of the Board

GIRISH TEKCHANDANI
COMPANY SECRETARY

19th May 2020

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (the Act) with respect to item nos. 4 to 6 of the Notice is annexed hereto and forms part of this Notice.
2. The meeting shall be deemed to be conducted at the Registered Office of the Company situated at Sanofi House, CTS No. 117-B, L&T Business Park, Saki Vihar Road, Powai, Mumbai 400 072.
3. As per the decision taken by the Board of Directors on 25th February 2020, the Annual General Meeting (AGM) of the Company was originally scheduled on 28th April 2020. The date was communicated to the members through stock exchange announcement on 25th February 2020. Due to continued spread of COVID-19, effective 21st March 2020, all offices and business establishments in Mumbai (except essential services) were closed. Under these circumstances, the Company was not able to print and dispatch the annual reports (including AGM Notice) to the members in compliance with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Accordingly, the Company postponed the AGM till further clarity on the COVID-19 situation and informed the same to members through stock exchange announcement on 23rd March 2020.
4. In view of the countrywide lockdown and restriction on movement across the country imposed by the Government due to the COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has vide General Circular No. 20/2020 dated 5th May 2020 read with General Circular No. 14/2020 dated 8th April 2020 and General Circular No. 17/2020 dated 13th April 2020, allowed companies:
 - i. to send the annual reports to shareholders only on email who have registered their email ID with the Company / Depositories,
 - ii. to hold Annual General Meeting (AGM) through video conferencing (VC) or other audio-visual means (OVAM) and
 - iii. to keep the dividend on hold for those shareholders who have not provided details of their bank accounts for electronic payment and dispatch their cheque / demand draft upon normalization of the postal services.
5. The Annual Report and Notice of the AGM is being sent to members who have registered their email ID with the Company / Depositories. The members who have not registered their email ID with the Company can access the Annual Report on the website of the Company www.sanofiindia.com. Members who would like to obtain pdf copy on their email ID may write an email to IGRC.SIL@sanofi.com. Pursuant to the Circulars mentioned above, the Company has not printed the Annual Reports and hence no hard copies of the Annual Report will be provided.
6. The Company will hold the AGM through VC facility without physical presence of the members. The necessary details for joining the meeting are given below:
 - i. Members may attend the AGM using VC facility on a live streaming link available at www.evotingindia.com under shareholders / members login by using the remote e-voting login credentials. The link for live streaming of the AGM will be available under the EVSN of the Company. The members holding shares either in demat form or in certificate form shall follow the instructions given in para 15 below to join the AGM through VC facility.
 - ii. Members can participate in the AGM through desktop / laptop/smart phone / tablet. However, for better experience and smooth participation, it is advisable to join the Meeting through desktop / laptop connected through broadband.

On desktop / laptop

 - a. On clicking the link to attend the AGM, a webpage will open which will ask for your name and email ID
 - b. Fill name of the 1st shareholder as appearing in the demat account statement / share certificate
 - c. Fill the email ID registered with the depository / the Company
 - d. Click on submit

On smart phone / tablet

 - a. Download the Zoom app on your smart phone / tablet. Zoom 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. This app can be downloaded without any charge.

- b. On clicking the link to attend the AGM, a new page will open in the app which will ask for your name and email ID
- c. Fill name of the 1st shareholder as appearing in the demat account statement / share certificate
- d. Fill the email ID registered with the depository / the Company
- e. Click on submit

Members who face any technical difficulty in accessing www.evotingindia.com may contact toll free no. 1800 225 533. After login, the members who face any technical difficulty in accessing the VC link may contact toll free no. 1800 919 0772.

7. The meeting will be conducted following the below process:

- i. The link for joining the meeting will be made active 15 minutes prior to the meeting i.e. at 2.45 p.m. on 7th July 2020. Members are requested to join the meeting on time.
- ii. Since this meeting is being held through video conferencing, physical attendance of members has been dispensed with. Therefore, appointment of proxies is not applicable.
- iii. Pursuant to Section 113 of the Act, corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM, by e-mail before e-voting / attending AGM, to IGRC.SIL@sanofi.com.
- iv. Chairman of the Company will make a statement on the affairs of the Company at the meeting.
- v. Members who have questions or seeking clarifications on the Annual Report or on the proposals as contained in this Notice are requested to send e-mail to the Company on IGRC.SIL@sanofi.com on or before 5.00 pm on Thursday, 2nd July 2020. This would enable the Company to compile the information and provide the replies at the meeting. The Company will be able to answer only those questions at the meeting which are received in advance as per the above process.

The Company will allot time for members to express their views or give comments during the meeting. The members who wish to speak at the meeting need to register themselves as a speaker by sending an e-mail from their registered e-mail ID mentioning their name, DP ID and Client ID / Folio number and mobile number, on e-mail ID, IGRC.SIL@sanofi.com on or before 5.00 pm on Thursday, 2nd July 2020. Depending on the availability of time, the Company reserves the right to restrict the number of speakers at the meeting.

- vi. The voting on the proposals contained the Notice of AGM will be conducted as under:
 - a. The members who have registered their email addresses with the Company / their depository can cast their vote through remote e-voting or through the e-voting during the meeting using the process mentioned below for e-voting through electronic system means.
 - b. The members who are holding shares in physical form and who have not registered their email ID with the Company, can write to evoting.investors@linkintime.co.in by providing their name and folio number and obtain default PAN (if PAN is not registered with the Company) for the purpose of e-voting in CDSL portal and exercise their vote either through remote e-voting or vote electronically during the AGM. The credentials will be provided to the members after verification of all details.

Detailed instructions for voting are contained in Para 15 below.

- vii. The Board of Directors of the Company has appointed Mr. Makarand M. Joshi, Practising Company Secretary (FCS 5533, CP 3662), or failing him, Ms. Kumudani Bhalerao, Practising Company Secretary (FCS 6667, CP 6690) as the Scrutinizer for conducting the process of remote e-voting and e-voting during AGM in a fair and transparent manner.
- viii. The Scrutinizer shall submit his / her report, to the Chairman or any person authorized by him, on the voting in favour or against, if any, within forty-eight hours from the conclusion of the Meeting.
- ix. The results declared along with the consolidated Scrutinizer's Report and the recorded transcript of the meeting shall be placed on the website of the Company www.sanofiindialtd.com. The results shall simultaneously be communicated to the Stock Exchanges.

8. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice can be inspected in electronic mode by sending a request on email to IGRC.SIL@sanofi.com.
9. The Register of Members of the Company shall remain closed from 1st July 2020 to 7th July 2020 (both days inclusive).
10. Payment of dividend as recommended by the Board of Directors, if approved at the Meeting, will be made to those members whose names are on the Company's Register of Members on 7th July 2020 and those whose names appear as Beneficial Owners as at the close of the business hours on 30th June 2020 as per the details to be furnished by the Depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
11. In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from 1st April 2020, dividend declared and paid by the Company is taxable in the hands of its members and the Company is required to deduct tax at source (TDS) from dividend paid to the members at the applicable rates. A separate email will be sent at the registered email ID of the members describing about the detailed process to submit / upload the documents / declarations along with the formats in respect of deduction of tax at source on the dividend payout. Sufficient time will be provided for submitting the documents / declarations by the members who are desiring to claim beneficial tax treatment. The intimation will also be uploaded on the website of the Company www.sanofiindia.com.
12. Members holding shares in electronic form are advised to keep the bank details updated with the respective Depositories, viz. NSDL and CDSL. Member holding shares in certificate form are requested to update bank details with the Company's Registrar and Transfer Agents after following the process available on link https://linkintime.co.in/emailreg/email_register.html. Pursuant to the General Circular No. 20/ 2020 dated 5th May 2020 read with General Circular No. 14/2020 dated 8th April 2020 and General Circular No. 17/2020 dated 13th April 2020, issued by Ministry of Corporate Affairs, Members who have not registered their bank details, will be paid dividend through cheque / demand draft upon normalization of postal services.
13. Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Amendment Rules 2017 notified by the Ministry of Corporate Affairs, the Company is required to transfer all shares in respect of which dividend has not been paid or claimed by the members for seven consecutive years or more in the name of Investor Education and Protection Fund (IEPF) Suspense Account. Adhering to various requirements set out in the Rules, the Company has taken appropriate action for transferring the shares to the Demat Account opened by the IEPF Authority. The Company has also uploaded details of such members whose shares are transferred to IEPF Suspense Account on its website at www.sanofiindia.com.

The shares transferred to IEPF Suspense Account including all benefits accruing on such shares, if any, can be claimed by the members from IEPF Authority, after following the procedure prescribed under the Rules.

Pursuant to the provisions of Sections 124 and 125 of the Act, dividends which remain unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend account are required to be transferred to IEPF established by the Central Government. The details of unpaid dividend are uploaded on the website of the Company at www.sanofiindia.com.

During the year 2019, the Company transferred unclaimed dividend amounts of Rs. 1,801,277 and Rs. 265,732 from the Final Dividend for the year 2011 and Interim Dividend for the year 2012 respectively, to the IEPF.

Members who have not encashed their dividend warrants for last seven year are requested to write to the Company's Registrar and Transfer Agents and claim their dividends. The total amount of unclaimed dividend has been disclosed in the financial statements. Members are requested to note that the unclaimed dividends will be transferred to the IEPF after the below mentioned last date of claim which has been calculated by adding 37 days and 7 years in the date of declaration:

| Dividend and Year | Dividend per Share (Rs.) | Date of Declaration | Last Date for Claim |
|-----------------------|--------------------------|---------------------|---------------------|
| Interim Dividend 2013 | 10 | 30-07-2013 | 03-09-2020 |
| Final Dividend 2013 | 35 | 29-04-2014 | 03-06-2021 |
| Interim Dividend 2014 | 10 | 23-07-2014 | 27-08-2021 |
| Final Dividend 2014 | 35 | 29-04-2015 | 03-06-2022 |

| Dividend and Year | Dividend per Share (Rs.) | Date of Declaration | Last Date for Claim |
|-----------------------|--------------------------|---------------------|---------------------|
| Interim Dividend 2015 | 18 | 21-07-2015 | 25-08-2022 |
| Final Dividend 2015 | 47 | 29-04-2016 | 04-06-2023 |
| Interim Dividend 2016 | 18 | 22-07-2016 | 27-08-2023 |
| Final Dividend 2016 | 50 | 05-05-2017 | 09-06-2024 |
| Interim Dividend 2017 | 18 | 19-07-2017 | 23-08-2024 |
| Final Dividend 2017 | 53 | 08-05-2018 | 12-06-2025 |
| Interim Dividend 2018 | 18 | 25-07-2018 | 31-08-2025 |
| Final Dividend 2018 | 66 | 07-05-2019 | 11-06-2026 |

14. Pursuant to Regulation 39 and Schedule V and VI of the Listing Regulations the Company has transferred unclaimed shares in its Unclaimed Suspense Account details of which are given below:

| Particulars | No. of Records | No. of Shareholders | No. of Equity Shares |
|---|----------------|---------------------|----------------------|
| Aggregate number of shareholders / records and the outstanding shares in the Unclaimed Suspense Account | 266 | 249 | 13,300 |
| Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the year | 14 | 13 | 700 |
| Number of shareholders / records whose shares were transferred from suspense account to the demat account of Investor Education and Protection Fund under the provisions of Section 124(6) of the Companies Act, 2013 | 3 | 3 | 150 |
| Number of shareholders / records and aggregate number of shares transferred to the Unclaimed Suspense Account during the year | – | – | – |
| Aggregate number of shareholders and outstanding shares in the Unclaimed Suspense Account lying as on 31st December 2019 | 249 | 233 | 12,450 |

Voting rights on shares lying in the Unclaimed Suspense Account shall remain frozen till the rightful owner of such shares establishes his / her title of ownership to claim the shares.

15. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations the Company is pleased to offer e-voting facility which will enable the Members to cast their votes electronically on all the resolutions set out in the Notice. Please refer the instructions given below relating to voting through electronic means.

E-voting facility:

The remote e-voting period will begin on 4th July 2020 at 9.00 a.m and will end on 6th July 2020 at 5.00 p.m. During this period members of the Company holding shares either in physical form or dematerialized form as on cut-off date, i.e 30th June 2020 may exercise their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

A person whose name is recorded in the register of members or in the beneficial owners maintained by depositories as on the cut-off date i.e 30th June 2020 shall be entitled to avail the facility of remote e-voting as well as voting through e-voting system during the AGM. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/ beneficial Owner (in case of shares held in dematerialised form) as on the cut-off date i.e. Tuesday, 30th June 2020.

Any person who becomes a member of the Company after dispatch of the Notice of the Annual General Meeting and holding shares as on the cut-off date i.e. Tuesday, 30th June 2020 and wishing to participate in the e-voting may obtain User ID and password by sending a letter or email to the Company's Registrar and Transfer Agents, Link Intime India Private Limited to C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 (Email ID: evoting.investors@linkintime.co.in) providing details such as name of the Member, DPID / Client ID no. and name of the Company. User ID and password will be provided through email or SMS or letter as per details of the Member provided by the Depositories or available with the Registrars. Members can also contact Mr. Jayprakash V P of Link Intime India Private Limited on no. 022 - 49186270. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.

The voting during the AGM will begin on 7th July 2020 at 3.00 pm and will end on completion of 30 minutes from the time of the conclusion of the AGM. Within this period, all members who are present at the AGM through VC facility and who have not yet exercised their vote through remote e-voting, can exercise their vote electronically.

The facility for e-voting during the meeting is available only to those members participating in the meeting through VC facility. If a member has exercised his / her vote during the AGM through e-voting but not attended the AGM through VC facility, then the votes casted by such member shall be considered invalid.

The procedure for remote e-voting and e-voting during the AGM is the same.

The instructions for members voting electronically are as under:

- i. You should log on to the e-voting website www.evotingindia.com.
- ii. Click on Shareholders / Members.
- iii. Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and click on Login.
- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:

| For members holding shares in demat form and physical form | |
|--|---|
| 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 send an email to evoting.investors@linkintime.co.in providing details such as name of the Member, DPID / Client ID no. and name of the Company and obtain default PAN. |
| Dividend Bank Details OR 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 iii. |

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. 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.
- ix. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN of Sanofi India Limited.
- xi. 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.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- xiii. 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.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvi. If a demat account holder has forgotten the changed login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. 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.
- xviii. Note for Non – Individual Members and Custodians:
 - a. Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - c. 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.
 - d. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - e. 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.
- xix. 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, under help section or write an email to helpdesk.evoting@cdslindia.com.
- xx. 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

16. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit details to the Registrar and Transfer Agents of the Company, in the prescribed Form SH-13 for this purpose.

17. As required by Regulation 36(3) of the Listing Regulations and the Secretarial Standards on General Meetings (SS-2) as laid down by The Institute of Company Secretaries of India, additional information relating to the particulars of Directors who are proposed to be appointed / re-appointed are given below:

| Agenda Item No. | 3 |
|---|---|
| Name | Mr. Rajaram Narayanan |
| Age | 51 |
| Qualifications | B.E. (BITS, Pilani), MBA (Indian Institute of Foreign Trade) He is also an alumnus of the Advanced Managed Program of the Harvard Business School |
| Brief profile including expertise and experience | Mr. Rajaram Narayanan has over 25 years' experience across different industries. Mr. Rajaram Narayanan started his career with Unilever, where he held a variety of leadership roles in sales for over 19 years. Along the way he built and managed iconic consumer brands in India and other Asian markets. Prior to joining Sanofi, he worked for 3 years in the telecom industry as Chief Marketing Officer at Airtel, India's leading mobile services company. Mr. Rajaram Narayanan joined Sanofi in 2014 as the Country Head and General Manager. He joined the Board of the Company as Whole Time Director on 21st October 2015 and was appointed as Managing Director w.e.f. 1st January 2018. Over the last 4 years, he has led the strategic reorientation of Sanofi in India leading to accelerated growth in key therapies, setting up of new business models and significant transformation of its market operations. |
| Directorships in other companies in India | Sanofi-Synthelabo (India) Private Limited Apollo Sugar Clinics Limited Organization of Pharmaceutical Producers of India |
| Committee Memberships and Chairmanships | He is member of Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Chairman of Risk Management Committee of Sanofi India Limited. |
| Number of Board meetings attended during the year | In the year 2019, Mr. Narayanan attended 6 out of 6 Board meetings |
| Remuneration last drawn for the financial year 2019 | Remuneration was paid as Managing Director of the Company as approved by the members at the Annual General Meeting of the Company held on 8th May 2018. Details are disclosed in the Corporate Governance section of the Annual Report. No change has been proposed in this re-appointment. |
| Remuneration sought to be paid | No change has been proposed |
| Terms and conditions of appointment | As approved by the members at the Annual General Meeting of the Company held on 8th May 2018. No change has been proposed in the terms and conditions. |
| Relationship with other Directors and KMP | None |
| Date of first appointment on the Board | 21st October 2015 |
| Shareholding in Sanofi India Limited | Nil |

| Agenda Item No. | 4 & 5 |
|---|--|
| Name | Mr. Cherian Mathew |
| Age | 55 |
| Qualifications | Graduated in Chemical Engineering from IIT Kharagpur. |
| Brief profile including expertise and experience | <p>Mr. Cherian Mathew started his career in 1987 with Shaw Wallace and then had a brief stint with Ranbaxy Laboratories Limited. He joined Sanofi in 1993 (with the erstwhile Hoechst India Limited) as a Project Engineer. Over the last 26 years, he has held ever increasing responsibilities in India as well as with various other Sanofi affiliates across the world. He has been actively involved in the formulation of Sanofi's industrial strategy and in its implementation.</p> <p>Presently, Mr. Cherian Mathew is the Head of Manufacturing Operations in India.</p> <p>Mr. Cherian Mathew was appointed Additional Director & Whole Time Director of the Company with effect from 29th July 2019.</p> |
| Directorships in other companies in India | None |
| Committee Memberships and Chairmanships | He is member of Audit Committee and Risk Management Committee of Sanofi India Limited |
| Number of Board meetings attended during the year | In the year 2019, Mr. Mathew attended 3 out of 3 Board meetings held in his tenure |
| Remuneration last drawn for the financial year 2019 | The resolution has been proposed for appointment of Mr. Mathew as Whole Time Director. He was not a Director of the Company before the proposed appointment. |
| Remuneration sought to be paid | As disclosed in explanatory statement |
| Terms and conditions of appointment | As disclosed in explanatory statement |
| Relationship with other Directors and KMP | None |
| Date of first appointment on the Board | 29th July 2019 |
| Shareholding in Sanofi India Limited | Nil |

EXPLANATORY STATEMENT

The following Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 (the Act) sets out all material facts relating to the business mentioned in item nos. 4 to 6 in the accompanying Notice of the Annual General Meeting.

Item No. 4 and 5

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Cherian Mathew as Additional Director of the Company with effect from 29th July 2019 in accordance with Section 161 of the Act. He holds office up to the date of the Annual General Meeting of the Company. The Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director.

The Board of Directors of the Company at its meeting held on 29th July 2019, subject to the approval of the members of the Company, approved the appointment of Mr. Cherian Mathew as Whole Time Director of the Company for a period of 5 years.

A brief profile of Mr. Cherian Mathew is provided in the notes to the Notice of the Annual General Meeting.

The remuneration proposed to be paid to Mr. Cherian Mathew with effect from 29th July 2019 is set out below:

1. Basic Salary - Rs. 76,00,000 /- per annum.
2. Flexi Compensation Allowance of Rs. 98,54,920/- per annum and such higher amount as may be decided by the Board from time to time and in alignment with the Company's policy on Flexi-Compensation.
3. Provident Fund - Company's contribution not to exceed 12% of Basic salary.
4. Gratuity - Company's contribution not to exceed 8.33% of Basic salary.
5. Increments - Such increments with effect from 1st April 2020 as may be decided by the Board of Directors from time to time, not exceeding 25% per annum.
6. Performance Bonus with a target payout of Rs. 57,00,000/- per annum for the financial year ending 31st December 2019 and a payout range of 0% to 200% of target amount to be paid at the end of the financial year, and all future Performance bonuses, as may be determined by the Board of Directors.
7. Housing - House Rent Allowance as part of the Flexi-Compensation Structure (FCP). In addition, residential gas & electricity utility on actuals can be claimed as reimbursement.
8. Medical Hospitalisation Insurance Benefit - Medical aid benefits for self and dependant family as per Company's policy which is currently INR 800,000 floater coverage. This may be revised from time to time as per Company's policy.
9. The Company to pay the premium for the Personal Accident Insurance Policy taken for Mr. Cherian Mathew along with other Officers of the Company.
10. The Company to pay the premium for the Group Insurance Policy taken for Mr. Cherian Mathew as per rules of the Company.
11. The Company to pay fees for one Club (including admission or entrance fees and monthly or annual subscriptions) as per Company's policy.
12. Leave on full pay and allowances as per rules of the Company for such number of days of leave as may be granted to other employees of the Company in the Head Office.
13. Reimbursement of actual travelling and entertainment expenses incurred on behalf of the Company, subject to such ceiling on entertainment expenses as may be imposed by the Board of Directors from time to time.
14. Reimbursement of expenses on mobile phone and landline phone at residence as per the Company's policy.
15. Stock linked incentive plans whether existing or declared by the holding company, and the cost thereof will be borne by the Company.

(All the above perquisites shall be evaluated as per Income-tax Rules, wherever applicable. In the absence of any such Rule, perquisites shall be evaluated at actual cost.)

Minimum Remuneration

In any financial year, if the Company has no profits or its profits are inadequate, the Company shall pay the remuneration to the Director in accordance with the provisions of Section 197 read with Schedule V of the Act and rules framed thereunder and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.

The draft agreement between the Company and Mr. Cherian Mathew will be available to members on request. Members may write to the Company Secretary on email IGRC.SIL@sanofi.com for inspecting the draft agreement until the date of the Annual General Meeting or any adjournment thereof.

Mr. Cherian Mathew is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Whole Time Director of the Company.

The Board of Directors is of the opinion that Mr. Cherian Mathew's knowledge and experience will be of immense value to the Company. The Board, therefore, recommends the approval of the resolutions set out at item no. 4 & 5 of the Notice convening the Meeting.

Except Mr. Cherian Mathew, being the proposed appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in this resolution.

Item No. 6

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of M/s. Kirit Mehta & Co., Cost Accountants, as Cost Auditors to conduct the audit of the cost accounts maintained by the Company in respect of bulk drugs and formulations for the financial year ending 31st December 2020.

In accordance with the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, consent of the members is sought for approval of the remuneration payable to the Cost Auditors for the financial year ending 31st December 2020.

The Board recommends the approval of the remuneration payable to M/s. Kirit Mehta & Co., Cost Accountants for conducting the cost audit and passing of the resolution set out at item no. 6 of the Notice.

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

By Order of the Board

GIRISH TEKCHANDANI
COMPANY SECRETARY

19th May 2020