

Date: March 1, 2014

From:

AstraZeneca Pharmaceuticals AB
c/o AstraZeneca AB
Legal Department
151 85 Södertälje
Sweden

To:

The Board of Directors
AstraZeneca Pharma India Limited
Avishkar, Off Bellary Road, Hebbal
Bangalore 560 024

Dear Sirs,

Re.: Financial grant provided under subvention agreement

As you are aware, AstraZeneca Pharmaceuticals AB (formerly Astra Pharmaceuticals AB), Sweden ("AZP AB") had entered into a subvention agreement with AstraZeneca Pharma India Limited ("the Company") dated May 07, 2013, whereby it had decided to provide a voluntary non-repayable financial grant of approximately USD 22.5 mio to USD 26.5 mio over the three years FY14 – FY16, of which the first tranche of USD 14 mio was to be provided to the Company in FY14. The objective of this financial grant was to assist the Company in its efforts to establish / grow its presence in the Indian market. In line with the subvention agreement, AZP AB has already provided USD 10.5 mio to the Company during the nine month period ended December 31, 2013. The subvention agreement provided for AZP AB to continuously monitor and review the business and financial performance of the Company, thereby assessing the need for the continuation / modification of this voluntary financial grant, based on evolving business environment and conditions. AZP AB believes that the Company's business and financial performance has been in line with more recent expectations, and that the Company shall require approximately USD 3.5 mio till end-FY14, and no further grant thereafter. It has therefore been decided by AZPAB that the total amount of financial grant to be provided by AZP AB to the Company shall stand revised to USD 14 mio (as against the USD 22.5 mio originally envisaged and approved as part of the financial assistance package), which shall continue till end-FY14, post which the payments under the subvention agreement shall cease.

Request you to kindly take note of the above.

Yours truly,

For **AstraZeneca Pharmaceuticals AB**



Name: Jan-Olof Jacke

Title: Director, Authorised signatory