100th ANNUAL REPORT 2022-2023

Anglo-French Drugs & Industries Limited

Board of Directors:

Mr. Abhay Kanoria	Chairman & Managing Director
Mr. Uddhav Abhay Kanoria	President & Whole-time Director
Mr. Nirbhay Abhay Kanoria	President & Whole-time Director
Mr. Sanatkumar Manjunath Shirali	Independent Director
Mr. Ahmedali Nalagath	Independent Director
Mr. Neha Rajen Gada	Independent Director
Mr. Rakesh Parmeshwar Kanyadi	Non-Executive Director
Mr. Rohit Choraria	Non-Executive, Non-Independent Director w.e.f. 09-05-2023
Mrs. Girija Subramanian	Nominee Director (up to 09-05-2023)
Mrs. Jayashree V. Ranade	Nominee Director (w.e.f 09-05-2023)

Chief Financial Officer
Harshwardhan Murarka

Company Secretary
Sriee Aneetha. M (w.e.f 16-08-2022)

Statutory Auditors
M/s. KAMG & Associates
Chartered Accountants

Secretarial Auditors
M/s. Swaroop Suri & Associates
Practicing Company Secretaries

Cost Auditors
M/s. Rao, Murthy & Associates
Cost Accountants

Internal Auditors
M/s. B. Choraria & Mates
Chartered Accountants

Bankers
YES Bank Limited

Factory / Plant Address
Plot no.4, Phase-II,
Peenya Industrial Area, Peenya,
Bengaluru – 560058.

Registered Office
Anglo-French Drugs & Industries Limited
CIN:L24230KA1923PLC010205
No.41, 3rd Cross, V Block, SSI Area,
Rajajinagar, Bengaluru – 560010
Tel Nos. 080-23154770 / 23156757
Fax No. 080-23389963
Website: www.afdil.com

Registrars & Share Transfer Agents
Canbank Computer Services Limited
J P Royale, 1st Floor, No.218,
2nd Main, Sampige Road, (Near 14th Cross),
Malleswaram, Bengaluru – 560003
Tel Nos. :080-23469661/62/64/65
Fax No. 080-23469667
Email: Canbankrta@ccsl.co.in

Stock Exchange
Metropolitan Stock Exchange of India Limited (MSE)

Investor Grievance Contact
Email Id: Compliance@afdil.com
Tel No. 080-23156757

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Anglo-French Drugs & Industries Limited Registered
Office: No.41, 3rd Cross, V Block, Rajajinagar, Bengaluru-560010.
CIN:L24230KA1923PLC010205 Websie:www.afdil.com

NOTICE CONVENING 100TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the One Hundredth (100th) Annual General Meeting of the Members of Anglo-French Drugs & Industries Limited ("Company") will be held on Thursday, the 3rd August 2023 at 4.30 pm at Plot No.4, Phase II, Peenya Industrial Area, Peenya, Bengaluru-560058 Karnataka to transact the following business;

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2023 together with the Report of the Board of Directors and Auditors thereon.

2. To declare final dividend on equity shares for the financial year ended 31st March 2023.

3. To appoint a Director in place of Mr.Rakesh Kanyadi, DIN:08532438, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **Re-appointment of Mr. Abhay Kanoria, DIN: 00108894 as Chairman and Managing Director of the Company, together with revision of Remuneration**

   To consider and if thought fit, to pass, the following resolution as a **Special Resolution.**

   "**RESOLVED THAT**, pursuant to the provisions of Sections 196, 197,198, 202, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013, ("Act"), and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6)(e)(i) of the SEBI (LODR) Regulation 2015, as amended from time to time , the consent of the Members be and is hereby accorded for the re-appointment of Mr. Abhay Kanoria DIN: 00108894 as the Chairman and Managing Director of the company for a period 3(three) years from 01st October 2023 to 30th September 2026 and retain the same remuneration with terms and conditions from 01st October 2023 to 30th September 2026 as set out in the Explanatory Statement annexed to the Notice, with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Board of Directors and Mr. Abhay Kanoria".

5. **Re-appointment of Mr. Nirbhay Abhay Kanoria, DIN:02558300 President and Whole Time Director, together with revision of Remuneration.**

   To consider and if thought fit, to pass the following resolution as a **Special Resolution.**

   "**RESOLVED THAT**, pursuant to the provisions of Sections 196, 197, 198, 202, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013, ("Act"), and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6)(e)(i) of the SEBI (LODR) Regulation 2015 as amended from time to time, consent of the Members be and is hereby accorded for the re-appointment of Mr. Nirbhay Abhay Kanoria DIN:02558300, as the President and Whole Time Director of the company for a period of 3 (three) years from 01st October 2023 to 30th September 2026 and retain the same remuneration with terms and conditions from 01st October 2023 to 30th September 2026 as set out in the Explanatory Statement annexed to the Notice, with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Board of Directors and Mr. Nirbhay Abhay Kanoria".

6. **Revision of Remuneration to Mr. Uddhav Abhay Kanoria, DIN: 00108909 President and Whole Time Director.**

To consider and if thought fit, to pass the following resolution as a **Special Resolution.**

"**RESOLVED THAT**, pursuant to the provisions of Sections 196, 197, 198, 202, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013, ("Act"), and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6)(e)(i) of the SEBI (LODR) Regulation 2015, as amended from time to time, consent of the Members be and is hereby accorded to retain the same remuneration with terms and conditions to Mr. Uddhav Abhay Kanoria, DIN:00108909, President and Whole Time Director of the company from 01st October 2023 to 30th September 2026 as set out in the Explanatory Statement annexed to the Notice.

7. **Appointment of Mrs. Jayashree V Ranade, DIN: 09320683 as Nominee Director in place of Mrs. Girija Subramanian DIN:09196957**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution.**

"**RESOLVED THAT**, pursuant to the provisions of Section 161(3) of Companies Act 2013, read with Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, if any of the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per Article of Association of the Company, based on the recommendation of the Nomination & Remuneration Committee and approval of Board of Directors appointment of Mrs. Jayashree V Ranade, DIN 09320683 representative of General Insurance Corporation of India as Nominee Director on Board of the Company in place of Mrs. Girija Subramaniam DIN:09196957 w.e.f 09th May 2023 be and is hereby approved. Mrs. Jayashree V Ranade shall not be liable to retire by rotation and be entitled to sitting fees.

8. **Appointment of Mr. Rohit Choraria, DIN: 07003583 Additional Director as Non-Executive and Non-Independent Director**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution.**

"**RESOLVED THAT**, pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and SEBI (LODR) Regulations as amended from time to time and based on recommendation of the Nomination and Remuneration Committee and approval of Board of Directors, be and hereby accorded to appoint Mr. Rohit Choraria DIN: 07003583 as Non-Executive and Non-Independent Director of the Company with effect from 09th May 2023. Mr. Rohit Choraria shall be liable to retire by rotation and be entitled to sitting fees.

9. **Appointment and ratification of remuneration of Cost Auditors of the Company for the Financial Year 2023-24**

To consider and if thought fit, to pass with or without modification the following resolution as an **Ordinary Resolution**

RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013, Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of M/s. Sandhya P & Co., Cost Accountants Firm Registration No. 004755 as Cost Auditors of the Company and as approved by the Board on the recommendation of the Audit Committee, to conduct the audit of Cost records of the Company for the Financial year 2023-24 and ratification of remuneration payable to them amounting to Rs.70,000/- pa (Rupees Seventy Thousand Only) plus taxes and reimbursement of out of pocket expenses in connection with the aforesaid audit be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, things and execute all such documents, instruments, writings, in its absolute discretion, as may be considered necessary, expedient or desirable, in order to give effect to all the above resolutions or otherwise as considered by the Board to be in the best interest of the Company as it may deem fit."

By Order of the Board of Directors
For **Anglo-French Drugs & Industries Limited**

Date:09th May 2023
Place: Bengaluru

Sriee Aneetha. M
Company Secretary &
Compliance Officer

Registered Office:
No.41, 3rd Cross, V Block
SSI Area, Rajajinagar
Bengaluru – 560 010

Notes:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular nos. 20/2020, 14/2020, 17/2020, 02/2021 and Securities and Exchange Board of India ('SEBI') vide its Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 (hereinafter collectively referred to as "the Circulars"), has permitted that Notice of the AGM along with the Annual Report 2022-23 be sent through electronic mode. In view of this, Notice along with Annual report is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or RTA or CDSL / NSDL ("Depositories"). Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.afdil.com and website of the Stock Exchange - MSEI Limited at www.msei.in

2. The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013, and Rules made thereunder in respect of the Special Business set out in the notice, Secretarial Standards on General Meeting (SS-2), whenever applicable, and SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015("Listing Regulations") whenever applicable, is annexed hereto.

3. IN TERMS OF SECTION 105 OF THE COMPANIES ACT, 2013 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER AND THE PROXY FORM, TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

4. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable. Members, Proxies and Authorized Representatives are requested to bring to the meeting the enclosed Attendance Slip duly completed and signed, mentioning therein details of their DP ID and Client ID/ Folio No.

5. Corporate Members intending to attend the AGM through their authorized representatives are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.

6. Notice of the said Meeting along with Annual Report, Attendance Slip, Proxy Form and Route map for venue of the Meeting are being sent by electronic mode to all those members whose e-mail addresses are registered with

the Company/RTA or Depositories for communication purposes unless any member has requested for a hard copy of the same.

7. **Green Initiative:** To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Registrar & Transfer Agents, M/s. Canbank Computer Services Limited ("CCSL"), in case the shares are held by them in physical form.

8. In compliance with the aforesaid MCA Circulars and SEBI Circular, the Notice of the 100th AGM and other documents are being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 100th AGM and the Annual Report for the year 2023 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-

   a. For Members holding shares in physical form, please send scanned copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self- attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address at: compliance@afdil.com

   b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

Dividend related information:

9. The final dividend of ₹20/- per fully paid-up Equity share of ₹10/- each as recommended by Board of Directors, if approved by the Members at the AGM, will be paid subject to deduction of income-tax at source ('TDS') on or after Thursday, 10th August 2023 to those members whose names appear on the Register of Members as on Thursday, 27th July 2023.

10. Members holding shares in electronic form are hereby informed that bank particulars registered with their respective Depository Participants (DP), with whom they maintain their demat accounts, will be used by the Company for payment of dividend.

11. Members holding shares in physical/electronic form are required to submit their bank account details, if not already registered, as mandated by SEBI.

12. Shareholders holding shares in dematerialized mode are requested to register complete bank account details with the Depository Participant(s) and shareholders holding shares in physical mode shall send a duly signed request letter to CCSL mentioning the name, folio no., bank details, self-attested PAN card and original cancelled cheque leaf. In case of absence of name of the first shareholder on the original cancelled cheque or initials on the cheque, bank attested copy of first page of the Bank Passbook/Statement of Account along with the original cancelled cheque shall be provided.

13. In case the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend by way of demand draft to such shareholder by post.

14. Members may note that as per the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividends paid or distributed by the Company after 1st April 2020, shall be taxable in the hands of the shareholders and the Company shall be required to deduct tax at source (TDS) at the prescribed rates from the dividend to be paid to

shareholders, subject to approval of shareholders in the ensuing AGM. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company.

a. All Shareholders are requested to ensure that the below information & details are completed and/or updated, as applicable, in their respective demat account(s) maintained with the Depository Participant(s); or in case of shares held in physical form, with CCSL, on or before the Record Date i.e. Thursday, 27th July, 2023.

   Please note that the following information & details, if already registered with CCSL and Depositories, as the case may be, will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions:

   I. Valid Permanent Account Number (PAN)*
   II. Residential status as per the Income Tax Act i.e. Resident or Non-Resident for FY 2022-23.
   III. Category of the Shareholder viz. Mutual Fund, Insurance Company, Alternate Investment Fund (AIF) Category I and II, AIF Category III, Government (Central/State Government), Foreign Portfolio Investor (FPI)/Foreign Institutional Investor (FII): Foreign Company, FPI/FII: Others (being Individual, Firm, Trust, Artificial Juridical Person, etc.), Individual, Hindu Undivided Family (HUF), Firm, Limited Liability Partnership (LLP), Association of Persons (AOP), Body of Individuals (BOI) or Artificial Juridical Person, Trust, Domestic Company, Foreign Company, Overseas Corporate Bodies, etc.
   IV. Email Address.
   V. Residential Address.

   *If the PAN is not as per the database of the Income-tax Portal, it would be considered as invalid PAN. Further as per the Notification of Central Board of Direct Taxes, individual shareholders are requested to link their Aadhaar number with PAN.

b. For Resident Shareholders, TDS is required to be deducted at the rate of 10% under Section 194 of the Income Tax Act, 1961 on the amount of dividend declared and paid by the Company in the financial year 2023-24 provided valid PAN is registered by the Shareholder. If the valid PAN is not registered, the TDS is required to be deducted at the rate of 20% under Section 206AA of the Income Tax Act, 1961.

   However, in case the dividend is not exceeding ₹ 5,000 in a fiscal year to resident individual shareholder then no tax will be deducted from the dividend. If any resident individual shareholder is in receipt of Dividend exceeding ₹ 5,000 in a fiscal year, entire dividend will be subject to TDS @ 10%.

   Even in the cases where the shareholder provides valid Form 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (for individual above the age of 60 years with no tax liability on total income), no TDS shall be deducted.

c. For Non-resident shareholders [Including Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors (FPIs)], the TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) under Section 195 or 196D of the Income Tax Act, 1961, as the case may be. Further, as per Section 90 of the Income Tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the shareholder, if they are more beneficial to them.

   For this purpose, i.e. to avail Tax Treaty benefits, the non-resident shareholders will have to provide the following:

   I. Self-attested copy of the PAN allotted by the Indian Income Tax authorities;

II. Self-attested copy of valid Tax Residency Certificate obtained from the tax authorities of the country of which the shareholder is a resident;
III. Self-declaration in Form 10F; and
IV. Self-declaration in the attached format certifying:

Shareholder is and will continue to remain a tax resident of the country of its residence during the Financial Year 2023-24;

Shareholder is eligible to claim the beneficial Double Taxation Avoidance Agreement (DTAA) rate for the purposes of tax withholding on dividend declared by the Company;

Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;

Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and

Shareholder does not have a taxable presence or a permanent establishment in India during the Financial Year 2023-24.

d. The draft of the aforementioned documents may also be accessed from the Company's website at www.afdil.com.

e. Submission of tax related documents:

Resident Shareholders

The aforesaid documents such as Form 15G/15H, documents under Sections 196, 197A, etc. can be uploaded on the link http://59.97.21.164/ANGLO/HolderDtls.aspx on or before **Thursday, 27th July 2023** to enable the Company to determine the appropriate TDS/withholding tax rate applicable. Any communication on the tax determination/deduction received post **Thursday, 27th July 2023** shall not be considered.

Shareholders can also send the scanned copies of the documents mentioned above at the email id mentioned below:

Email ID:	canbankrta@ccsl.co.in

Non-Resident Shareholders

Shareholders are requested to send the scanned copies of the documents mentioned above at the email id mentioned below:

Email ID:	canbankrta@ccsl.co.in

These documents should reach us on or before Thursday, 27th July 2023 in order to enable the Company to determine and deduct appropriate TDS/withholding tax rate. No communication on the tax determination/deduction shall be entertained post **Thursday, 27th July 2023.**

f. It may be further noted that in case the tax on dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents, there would still be an option available with the shareholder to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

15. **Share Transfer permitted only in Demat:** As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed Companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, M/s. Canbank Computer Services Limited ("CCSL") for assistance in this regard.

16. **Nomination**: Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act. Members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic/ demat form, the Members may please contact their respective depository participant. The Form SH-13 is available on the website of the Company at www.afdil.com .

17. **Submission of PAN:** SEBI has mandated the submission of PAN by every participant in the securities market. Accordingly, members holding shares in electronic form are requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases, viz. (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares.

18. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or CCSL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

19. The Company has established the Electronic Connectivity with NSDL and CDSL to facilitate holding and transfer of shares in de-materialized form. The International Securities Identification Number (ISIN) allotted to the Company's equity is INE570E01016. The shareholders may get their holding into de-materialized form.

20. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

21. Relevant documents referred to in the Notice and the explanatory statement are open for inspection by the members at the Registered Office of the Company during the normal business hours on all working days (i.e., except Saturdays, Sundays and Public Holidays) up to the date of AGM. The aforesaid documents will also be available for inspection by the members at the meeting.

22. **Shareholders' Communication:** Members who wish to claim dividends, which remain unclaimed, are requested to either correspond with the Secretarial Department at the Company's Registered Office or the Company's Registrars and Share Transfer Agents M/s Canbank Computer Services Ltd.

23. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 28th July 2023 to Thursday, 3rd August 2023 (both days inclusive).

24. The route map showing directions to reach the venue of the one hundredth (100th) Annual General Meeting is annexed to this notice.

25. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Circulars issued by MCA and SEBI, the Company has provided a

facility of casting the votes by the Members using an electronic voting system from a place other than venue of AGM ("remote e-Voting") through the electronic voting service facility arranged by National Securities Depository Limited (NSDL).

26. **Furnishing of PAN, KYC details and Nomination by holders of physical securities**

SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Shareholders holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s).

Further, SEBI vide their Circular dated November 3, 2021 and December 14, 2021 has mandated furnishing of PAN, email address, mobile number, bank account details and nomination by holders of physical securities. Effective January 1, 2022, RTA/ Company shall consider any service request such as transfer, transmission, issue of duplicate share certificates, renewal/ exchange of share certificates, consolidation of folios etc., only upon registration of the PAN, Bank details and Nomination.

27. **Freezing of Folios without PAN, KYC details and Nomination**

a. **From April 1, 2023** - Folios wherein any one of the said document/ details are not available shall be frozen and such folios shall not be eligible to lodge grievance or avail service request from the RTA and for receipt of dividend in physical mode. However, upon updation of documents/ details as detailed above, services from RTA shall resume.

b. **After December 31, 2025**, frozen folios shall be referred by RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/ or Prevention of Money Laundering Act, 2002.

Shareholders who have not updated their details as above are requested to furnish the documents/ details, as per the table below, to the Registrars & Transfer Agents M/s Canbank Computer Services Limited at the earliest.

Sl No.	Particulars	Furnish details in
1	PAN No.	Form ISR-1
2	Address	
3	Email address	
4	Mobile Number	
5	Demat account details	
6	Bank Account details	
7	Nomination details	Form SH-13
8	Declaration to opt out nomination Form	Form ISR-3

The aforesaid forms can be downloaded from the website of the Company and RTA at: www.afdil.com and www.canbankrta.com. You are requested to forward the duly filled in and executed documents along with the related proofs as mentioned in the respective forms to RTA.

28. **Transfer of Shares**

In terms of the SEBI Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from April 1, 2019.

Further, as an ongoing measure to enhance ease of dealing in securities by investors, SEBI vide its Circular of January 25, 2022, has mandated listed companies to issue securities in demat form only while processing service requests such as transfer, transmission, issue of duplicate share certificates, renewal/ exchange of share certificates, consolidation of folios etc.

In terms of the Circular,

1. Claimant/ Securities Holder shall submit their request in Form ISR-4 (hosted on website of Company and RTA) along with requisite documents and details;
2. RTA shall verify the request and documents submitted and thereafter issue a Letter of Confirmation (LoC) in lieu of physical securities certificates to the Claimant/ Securities Holder within 30 days of receipt of such request;
3. LoC shall be valid for a period of 120 days from the date of its issuance;
4. Claimant/ Securities Holder to make a request to the Depository Participant for dematerializing the said securities;
5. **In case the Claimant/ Securities Holder fails to submit the demat request within the prescribed period, such shares shall be credited to the Suspense Escrow Demat Account of the Company;**
6. Claimant/ Securities Holder to reinitiate the process for claiming shares from the Suspense Escrow Demat Account of the Company.

1. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Monday, 31st July 2023 at 09.00 A.M. and ends on Wednesday, 2nd August, 2023 at 05.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, 27nd July, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, 27nd July, 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:
Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/ IdeasDirectReg.jsp

	2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 3. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play

Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-

	Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

	Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
	a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.

b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for
   password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in
      'initial password' is communicate
      you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initia password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?
1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status. 2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period. 3. Now you are ready for e-Voting as the Voting page opens. 4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to info@swaroopsuri.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to Tejas Chaturvedi at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scan copy of Aadhar Card) by email to compliance@afdil.com

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to compliance@afdil.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

16. Other information:

- The remote e-voting period commences on Monday, 31st July 2023 at (9.00 a.m. IST) and ends on Wednesday, 2nd August 2023 (5.00 p.m. IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date i.e. **Thursday, 27nd July, 2023** may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

- The facility for voting, either through electronic voting system or ballot paper shall also be made available at the meeting and Members attending the meeting who have not cast their votes by remote e-voting shall be able to exercise their right at the meeting.

- The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

- The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on cut-off date i.e. **Thursday, 27nd July, 2023**.

- A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting.

- Swaroop Suryanarayana, Practicing Company Secretary of M/s. Swaroop Suri & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as voting at the meeting, in a fair and transparent manner.

- The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than two days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

- The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.afdil.com immediately after the results are declared and the same shall be communicated to Metropolitan Stock Exchange of India Limited, where the shares of the Company are listed.

- Electronic Copy of the Annual report for 2022-23 is being sent, *inter alia*, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form to all members whose email ids are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same.

- Members may also note that the Notice of the 100th AGM and the Annual Report FY 2022-23 will be available on website of the Company and Stock Exchange.

By Order of the Board of Directors
For **Anglo-French Drugs & Industries Limited**

Date:09th May 2023
Place: Bengaluru

Sriee Aneetha. M
Company Secretary &
Compliance Officer

Registered Office:
No.41, 3rd Cross, V Block
SSI Area, Rajajinagar
Bengaluru – 560 010

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013.

ITEM NO.4

Pursuant to the provisions of Sections 152, 196, 197, 203 and other applicable provisions, read with Schedule V of the Companies Act, 2013 and the Rules made thereunder and as recommended by the Nomination and Remuneration Committee of the Board, and subject to the approval of the shareholders, the Board of Directors at its meeting held on 9th May, 2023 re-appointed Mr.Abhay Kanoria, DIN: 00108894, as the Chairman & Managing Director of the Company with effect from 1st October, 2023 to 30th September, 2026 for a further term of 3 Years.

Mr. Abhay Kanoria, aged 67 years, is the Chairman & Managing Director of the Company. Mr.Abhay Kanoria is a B.Sc graduate with specialization in Chemistry and is a person with varied business interests and industry experience. Mr. Abhay Kanoria has been associated with the Company since 1986 and brings a rich experience in the Pharmaceutical industry for more than three decades. Additionally, he continues to advice the family business of textiles. Mr. Abhay Kanoria has promoted the Company since the time he was employed and has contributed significantly in developing the business of the Company and continues to guide the Company with new business strategies and ideas.

Mr. Abhay Kanoria was re-appointed as the Chairman & Managing Director by the shareholders through Postal Ballot dated 1st February 2023 for a period of 6 months w.e.f. 1st April, 2023 to 30th September, 2023. The present tenure of Mr. Abhay Kanoria as the Chairman & Managing Director is up to 30th September 2023.

His association with the Company as the Chairman & Managing Director reflected good performance and productivity of the Company. It is proposed to seek the Members' approval for the re-appointment of and remuneration payable to Mr. Abhay Kanoria, DIN: 00108894 as the Chairman & Managing Director of the Company in terms of the applicable provisions of the Act. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing his candidature for the office of Director.

The Audit Committee has approved the terms and conditions of his remuneration, as he being key managerial personnel, is a related party as per Section 2(76) of the Act.

The above explanatory statement (together with Annexure thereto) shall be construed to be memorandum setting out the terms of the appointment/re-appointment as specified under Section 190 of the Companies Act, 2013 and will be available for inspection at the Registered office of the Company by any Member of the Company during the e-voting period on all days except Sunday and Bank Holidays during 10:00 am to 1:00 pm.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Uddhav Abhay Kanoria, Mr. Nirbhay Abhay Kanoria and their relatives are concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the Resolution as set out in Item No.4 of the Notice for approval of the Members by way of a Special resolution.

There is no change in terms of re-appointment and remuneration payable to Mr. Abhay Kanoria :

A. Tenure of Appointment

The re-appointment as Chairman & Managing Director (CMD) is for a period three years from 01st October 2023 to 30th September 2026 and the remuneration with terms and conditions remains the same.

B. Nature of Duties

The CMD shall devote his whole time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of one or more of its associated companies and / or subsidiaries, including performing duties as assigned to the CMD from time to time by serving on the boards of such associated companies and / or subsidiaries or any other executive body or any committee of such a company.

C. Remuneration

a. Basic Salary of ₹ 3,84,700/- pm.
b. Perquisites and allowances:

1. Rent free accommodation or House Rent Allowance in lieu thereof, and other perquisites like reimbursement of expenditure incurred on Gas, Electricity, Water and Furnishings.
2. Use of Company's car with driver for Official and private purpose.
3. Contributions to Provident Fund, Gratuity Fund and Superannuation Scheme as per Rules of the Company.
4. Coverage under Personal Accident Insurance as per Rules of the Company.
5. Free residential telephone facility excluding long distance personal calls.
6. The re-imbursement of medical expenses for himself and family for domiciliary treatment up to a limit of Rs.15,000/- in a year and coverage under Company's MEDICLAIM policy with Insurance Company for self and family.
7. Commission at the rate of 2% of the net profits of the Company.
8. Leave Travel Concession for self and family once a year, in accordance with the Rules of the Company.
9. Earned leave as per the rules of the Company; encashment of un-availed leave at the end of the tenure.
10. First Class Air or Air-conditioned/Executive Class Rail fares at his option for self to his home-town in India on termination of the Agreement.
11. For the purpose of computation of the said ceiling, contributions to the Provident Fund and Superannuation Scheme, to the extent these either singly or put together, are not taxable under the Income Tax Act,1961, Gratuity and encashment of un-availed leave, shall not be included.
12. The perquisites and allowances are to be valued as per the Income Tax Rules, wherever applicable and actual cost to the Company in other cases.

D. The Agreement may be terminated at any time by either party giving to the other six English Calendar months' prior notice in writing or salary in lieu thereof.

E. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the CMD, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Salary, Benefits, Perquisites and Allowances, Commission, as per the provisions of Schedule V of the Act, or any modification(s) thereto.

Any payment made to CMD shall not exceed the remuneration which he would have earned if he had been in office for the remainder of his term or for three years, whichever is shorter, calculated on the basis of the average remuneration actually earned by him during a period of three years immediately preceding the date on which he ceased to hold office, or where he held the office for a lesser period than three years, during such period. Nothing shall be deemed to prohibit the payment to CMD of any remuneration for services rendered by him to the company in any other capacity.

Mr. Abhay Kanoria will not be entitled to sitting fees for attending meetings of the Board of the Directors or any Committees thereof.

The terms and conditions set out for re-appointment and payment of remuneration may be altered and varied from time to time by the Board of Directors as it may, at its discretion deem fit within the overall ceiling fixed herein.

In the case of non-availability or inadequacy of profits in any financial year of appointment the Company shall as per the provisions of Schedule V and subject to shareholder's approval at general meeting pay Managerial Remuneration to Mr. Abhay Kanoria as Chairman & Managing Director of the Company, in the manner and subject to the limits prescribed in Section II of Part II of Schedule V of the Companies Act, 2013.

Further, the Company has not made any default in repayment of any of its debts or interest payable thereon. The details as per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 1.2.5 of Secretarial Standard on General Meetings of the above Director is provided in the Annexure to this Notice.

ITEM No.5

Pursuant to the provisions of Sections 152, 196, 197, 203 and other applicable provisions, read with Schedule V of the Companies Act, 2013 and the Rules made thereunder and as recommended by the Nomination and Remuneration Committee of the Board, and subject to the approval of the shareholders, the Board of Directors

at its meeting held on 9th May 2023 re-appointed Mr. Nirbhay Kanoria, DIN: 02558300 as the Whole Time Director of the Company with effect from 1st October 2023 to 30th September, 2026 for a further term of 3 Years.

Mr. Nirbhay Kanoria, aged 39 years, is the Whole-Time Director of the Company. He is a graduate in Business Administration and Arts with Marketing and Economics as main. He currently looks heads the Administration and Marketing Departments of the Company.

Mr. Nirbhay Kanoria was appointed as the Whole Time Director by the shareholders through Postal Ballot dated 1st February 2023, for a period of 8 months w.e.f. 01st February, 2023 to 30th September, 2023. His tenure as the Whole Time Director expired on 30th September, 2023.

His association with the Company as the Whole Time Director reflected good performance of the Company. It is proposed to seek the Members' approval for the re-appointment of and remuneration payable to Mr. Nirbhay Kanoria as the Whole-Time Director of the Company in terms of the applicable provisions of the Act. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing his candidature for the office of Director.

The Audit Committee has approved to retain the same remuneration with terms and conditions, as he being key managerial personnel, is a related party as per Section 2(76) of the Act.

The above explanatory statement (together with Annexure thereto) shall be construed to be memorandum setting out the terms of the appointment/re-appointment as specified under Section 190 of the Companies Act, 2013 and will be available for inspection at the Registered office of the Company by any Member of the Company during the e-voting period on all days except Sunday and Bank Holidays during 10:00 am to 1:00 pm.

The Board of Directors recommends the resolution as set out in Item No. 5 of the Notice for approval of members of the Company by way of a Special Resolution.
None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr.Uddhav Abhay Kanoria, Mr. Abhay Kanoria and their relatives are concerned or interested, financially or otherwise, in the said resolution.
There is no change in terms of re-appointment and remuneration payable to Mr. Nirbhay Abhay Kanoria :

A. Tenure of Appointment

The re-appointment as President and Whole Time Director for a period of three years from 01st October 2023 to 30th September 2026 and the remuneration with terms and conditions remains the same.

B. Nature of Duties

Mr. Nirbhay Abhay Kanoria shall devote his such time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board of Directors from time to time and exercise such powers as may be assigned to him in connection with and in the best interest of the business of the Company.

C. Remuneration

a. Basic Salary of ₹ 1,79,000/- pm.
b. Perquisites and allowances:

1. Rent free accommodation or House Rent Allowance in lieu thereof, and other perquisites like reimbursement of expenditure incurred on Gas, Electricity, Water and Furnishings.
2. Use of Company's car with driver for Official and private purpose.
3. Contributions to Provident Fund, Gratuity Fund and Superannuation Scheme as per Rules of the Company.
4. Coverage under Personal Accident Insurance as per Rules of the Company.
5. Free residential telephone facility excluding long distance personal calls.
6. The re-imbursement of medical expenses for himself and family for domiciliary treatment up to a limit of Rs.15,000/- in a year and coverage under Company's MEDICLAIM policy with Insurance Company for self and family.
7. Leave Travel Concession for self and family once a year, in accordance with the Rules of the Company.
8. Earned leave as per the rules of the Company; encashment of un-availed leave at the end of the tenure.
9. First Class Air or Air-conditioned/Executive Class Rail fares at his option for self to his home-town in India on termination of the Agreement.

10. For the purpose of computation of the said ceiling, contributions to the Provident Fund and Superannuation Scheme, to the extent these either singly or put together, are not taxable under the Income Tax Act,1961, Gratuity and encashment of un-availed leave, shall not be included.
11. The perquisites and allowances are to be valued as per the Income Tax Rules, wherever applicable and actual cost to the Company in other cases

D. The Agreement may be terminated at any time by either party giving to the other six English Calendar months' prior notice in writing or salary in lieu thereof.

E. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the WTD, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Salary, Benefits, Perquisites and Allowances, Commission, as per the provisions of Schedule V of the Act, or any modification(s) thereto.

Any payment made to WTD shall not exceed the remuneration which he would have earned if he had been in office for the remainder of his term or for three years, whichever is shorter, calculated on the basis of the average remuneration actually earned by him during a period of three years immediately preceding the date on which he ceased to hold office, or where he held the office for a lesser period than three years, during such period. Nothing shall be deemed to prohibit the payment to WTD of any remuneration for services rendered by him to the company in any other capacity.

The total remuneration payable by the Company including Salary, Perquisites and allowances and remuneration payable to him by other companies shall not exceed the limits stipulated in Schedule V to the Companies Act, 2013 as existing or as may be amended from time to time.

Mr. Nirbhay Kanoria will not be entitled to sitting fees for attending meetings of the Board of the Directors or any Committees thereof.

The terms and conditions set out for reappointment and payment of remuneration may be altered and varied from time to time by the Board of Directors as it may, at its discretion deem fit within the overall ceiling fixed herein.

In the case of non-availability or inadequacy of profits in any financial year of appointment the Company shall as per the provisions of Schedule V and subject to shareholder's approval at general meeting pay Managerial Remuneration to Mr. Mr. Nirbhay Kanoria as Whole Time Director of the Company, in the manner and subject to the limits prescribed in Section II of Part II of Schedule V of the Companies Act, 2013.

Further, the Company has not made any default in repayment of any of its debts or interest payable thereon. The details as per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 1.2.5 of Secretarial Standard on General Meetings of the above Director is provided in the Annexure to this Notice.

ITEM NO.6

The Board of Directors, at its meeting held on February 10, 2021, had appointed Mr. Uddhav Abhay Kanoria as the President and Whole Time Director ("WTD") for a period of three years with effect from August 10, 2021 to August 09, 2024.

Subsequently, at the 98th Annual General Meeting of the Company held on August 13, 2021, the Members had approved the re-appointment of Mr. Uddhav Abhay Kanoria as President and Whole Time Director of the Company. Mr. Uddhav Abhay Kanoria has been associated with the Company since 2006 and currently heads the Exports and Institution divisions of the Company.

The Members approved remuneration from 1st July 2023 to 30th September 2023 through Postal Ballot on 1st February 2023.

The Board of Directors, at its meeting held on 9th May 2023, based on the recommendation of Nomination and Remuneration Committee to retain the same remuneration with terms and conditions to Mr. Uddhav Abhay

Kanoria, President and Whole Time Director of the Company, from 01st October 2023 to 30th September 2026, subject to the approval of the Members by way of a Special Resolution.

The Audit Committee has approved, as he being key managerial personnel, is a related party as per Section 2(76) of the Act.

The above explanatory statement (together with Annexure thereto) shall be construed to be memorandum setting out the terms of the appointment/re-appointment as specified under Section 190 of the Companies Act, 2013 and will be available for inspection at the Registered office of the Company by any Member of the Company during the e-voting period on all days except Sunday and Bank Holidays during 10:00 am to 1:00 pm.

The Board of Directors recommends the resolution as set out in Item No.6 of the Notice for approval of members of the Company by way of a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr.Nirbhay Abhay Kanoria, Mr. Abhay Kanoria and their relatives are concerned or interested, financially or otherwise, in the said resolution The terms of remuneration payable to Mr. Uddhav Abhay Kanoria are as under:

A. Remuneration

a. Basic Salary of ₹ 2,33,040/- pm

b. Perquisites and allowances:

1. Rent free accommodation or House Rent Allowance in lieu thereof, and other perquisites like reimbursement of expenditure incurred on Gas, Electricity, Water and Furnishings.
2. Use of Company's car with driver for Official and private purpose.
3. Contributions to Provident Fund, Gratuity Fund and Superannuation Scheme as per Rules of the Company.
4. Coverage under Personal Accident Insurance as per Rules of the Company.
5. Free residential telephone facility excluding long distance personal calls.
6. The re-imbursement of medical expenses for himself and family for domiciliary treatment up to a limit of Rs.15,000/- in a year and coverage under Company's MEDICLAIM policy with Insurance Company for self and family.
7. Leave Travel Concession for self and family once a year, in accordance with the Rules of the Company.
8. Earned leave as per the rules of the Company; encashment of un-availed leave at the end of the tenure.
9. First Class Air or Air-conditioned/Executive Class Rail fares at his option for self to his home-town in India on termination of the Agreement.
10. For the purpose of computation of the said ceiling, contributions to the Provident Fund and Superannuation Scheme, to the extent these either singly or put together, are not taxable under the Income Tax Act,1961, Gratuity and encashment of un-availed leave, shall not be included.
11. The perquisites and allowances are to be valued as per the Income Tax Rules, wherever applicable and actual cost to the Company in other cases

B. The Agreement may be terminated at any time by either party giving to the other six English Calendar months' prior notice in writing or salary in lieu thereof.

C. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the WTD, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Salary, Benefits, Perquisites and Allowances, Commission, subject to such further approvals as may be required as per the provisions of Schedule V of the Act, or any modification(s) thereto.

Any payment made to WTD shall not exceed the remuneration which he would have earned if he had been in office for the remainder of his term or for three years, whichever is shorter, calculated on the basis of the average remuneration actually earned by him during a period of three years immediately preceding the date on which he ceased to hold office, or where he held the office for a lesser period than three years, during such period. Nothing shall be deemed to prohibit the payment to WTD of any remuneration for services rendered by him to the company in any other capacity.

ITEM NO.7

Mrs. Jayashree Vijay Ranade, DIN: 09320683 is being appointed as a Nominee Director in place of Girija Subramanian,DIN: 09196957. Mrs. Girija Subramanian's Directorship as Nominee Director on Board of the Company ceased on account of withdrawing the nomination by General Insurance Corporation of India. The Board of Directors at their meeting held on 9th May 2023 based on the communication received from General

Insurer's (Public Sector) Association of India and recommendation of the Nomination & Remuneration Committee considered and approved appointment of Mrs. Jayashree Vijay Ranade, DIN: 09320683, representative of General Insurer's (Public Sector) Association of India as Nominee Director on Board of the Company w.e.f. 9th May 2023.

A brief profile of the Nominee Director to be appointed is given below:

Mrs. Jayashree Vijay Ranade: Jayashree V Ranade, DIN: 09320683 is a Bachelor of Commerce in the year 1984, Chartered Accountant in the year 1987 and also an Associate of the Insurance Institute of India in the year 1998. She also holds a qualification of Post Graduate Diploma in Business Management in the year 2007.

She began her career in General Insurance Corporation of India in the year 1988. Presently, she is holding the post of General Manager & Chief Financial Officer w.e.f. 3rd August 2021.

Mrs. Jayashree V Ranade, has joined General Insurance Corporation of India in the year 1988 as Assistant Administrative Officer. During her service she handled responsibilities at various levels in Finance Department, Taxation and Investment Department.

She was selected by the Corporation for Executive MBA course at Management Development Institute, Gurgaon in 2006. Since 2012 to May 2016, she was on deputation to the associate Company 'India International Insurance Pte Ltd, at Singapore as Head of Finance Department.

She is a visiting faculty at NIA, Pune and she has represented GIC Re and India International Insurance at various national and international conferences. She has participated in insurance and reinsurance related seminars not only in India but overseas as well.

The details as per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 1.2.5 of Secretarial Standard on General Meetings of the above Director is provided in the Annexure to this Notice.

Mrs. Jayashree V Ranade will be entitled to sitting fees for attending Meetings of the Board or any Committees thereof.

The Board recommends the Resolution as set out in Item No. 7 of the Notice for approval of the Members by way of an Ordinary resolution.

Nature of concern or interest of Directors:

Mrs. Jayashree Vijay Ranade is concerned or interested, in the Resolution relating to her appointment. None of the other Directors and Key Managerial Personnel of the Company is in any way, concerned or interested, in the Resolution set out at Item No. 7 of the Notice.

ITEM NO.8

Pursuant to the provisions of Section 161(1) of the Act and applicable rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company, Mr. Rohit Choraria, DIN:07003583, shall hold office up to the date of this Annual General Meeting ("AGM") and is eligible to be appointed as a Director.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on 9th May 2023 appointed Mr. Rohit Choraria, as an Additional Director (Non Executive and Non Independent) of the Company, liable to retire by rotation subject to approval of the Members.

The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member(s), proposing his candidature for the office of a Director. In the opinion of the Board, Mr.Rohit Choraria fulfils the conditions specified in the Act, Rules and SEBI Listing Regulations for appointment as the Director.

The Board considers that his association would be of immense benefit to the Company as he brings rich experience and hence it is desirable to avail services of Mr. Rohit Choraria as a Director.

A brief profile of Mr. Rohit Choraria, is given below:

Mr. Rohit Choraria: Mr. Rohit Choraria is a practicing Chartered Accountant based in Bangalore with over 23 years of experience. He works with large corporates in areas spanning audit, tax, supply chain, commercial and business planning and operation controls. Prior to this, he gained extensive global finance and audit experience in New York and London in strategic positions at Fortune 500 companies like Goldman Sachs and Oracle.

He is a rank holder Chartered Accountant, an Alumnus of London School of Economics, London and a University rank holder from Bangalore University. He has been a visiting finance faculty at Cambridge University, UK and Delhi University. His writings on pressing issues in finance and trade policy have been published frequently in leading national dailies and journals. He has also mentored and invested in a few successful start-ups in India and abroad.

The Board considers that his association would be of immense benefit to the Company as he brings rich experience and hence it is desirable to avail his services as a Director.

The appointment of Mr. Rohit Choraria, as Director (non Executive and Non Independent) is being placed before the Members for their approval. The Board recommends the Resolution in relation to appointment of Mr. Rohit Choraria, as Director as set out at Item No.8 of this Notice.

Mr. Rohit Choraria is not a Member of any of the Board Committees and does not hold any position on the Board of other companies.

Mr. Rohit Choraria will be entitled to sitting fees for attending Meetings of the Board or any Committees thereof.

The details as per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 1.2.5 of Secretarial Standard on General Meetings of the above Director is provided in the Annexure to this Notice.

Nature of concern or interest of Directors:

Mr. Rohit Choraria is concerned or interested, in the Resolution relating to his own appointment. None of the other Directors and Key Managerial Personnel of the Company is in any way, concerned or interested, in the Resolution set out at Item No.8 of the Notice.

ITEM NO.9

On recommendation of the Audit Committee, the Board of Directors of the Company at their meeting held on 9th May 2023 approved the appointment of M/s. Sandhya P & Co, Cost Accountants, Firm Registration No.004755, Cost Auditor of the Company, to conduct the audit of Cost records relating to Pharmaceutical Formulations for the Financial Year 2023-24 at a remuneration of ₹70,000/- (Rupees Seventy Thousand Only) per annum, plus taxes and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit.

In accordance with the provision of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, Companies (Cost Audit & Records) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the Members of the Company.

The Board recommends the resolution in relation to appointment of Cost Auditors and ratification of remuneration of cost auditor set out in Item No.9 of the Notice for approval of the Members by way of an Ordinary resolution.

By Order of the Board of Directors
For **Anglo-French Drugs & Industries Limited**

Date:09th May 2023

Place: Bengaluru

Sd/-
Sriee Aneetha. M
Company Secretary &
Compliance Officer

Registered Office: No.41, 3rd Cross, V Block
SSI Area, Rajajinagar Bengaluru – 560 010

Statement pursuant to the provisions of Part II of Section II of Schedule V of the Companies Act, 2013.

I. **General Information**:

(1) **Nature of Industry** – The Company is engaged in the business of manufacture, sale and distribution of Pharmaceutical formulations and Nutraceutical Dietary supplements.

(2) **Date ~~or Expected date~~ of Commencement of Commercial Production** – The Company was incorporated on 01 February 1923.

(3) **In case of new Companies, expected date of Commencement of activities as per project approved by financial institutions appearing in prospectus** – Not Applicable

(4) **Financial performance based on given indicators** – The financial performance of the Company in the last 2 years is as follows:

Rs. In Lakhs

Particulars	**Year ended as on**	
	31-03-2022	**31-03-2021**
Net Sales and Other Income	16,561	15,429
Operating Profit (EBITDA including Other Income)	471	1,167
Less : Depreciation / Amortisation Expenses	290	246
Profit before Tax (PBT)	181	921
Profit after Tax (PAT)	145	709

(5) **Foreign Investment or Collaborations, if any** - The company has a wholly owned subsidiary in Singapore. Application made for Strike off on 30th January 2023.

II. **Information about the Appointees:**

Sr. No.	**Details**	**Mr. Abhay Kanoria**	**Mr. Nirbhay Abhay Kanoria**	**Mr. Uddhav Abhay Kanoria**
1.	**Background details**	Mr.Abhay Kanoria is a B.Sc graduate with specialization in Chemistry and is a person with varied business interests and industry experience. Mr.Abhay Kanoria has been associated with the Company since 1986 and brings a rich experience in the Pharmaceutical industry for more than three decades.	Mr.Nirbhay Kanoria is a graduate in Business administration and Arts with Marketing and Economics as main and has been associated with the Company for over 11 years. He is presently heading the Administration and Marketing Departments of the Company & New business.	Mr.Uddhav Kanoria brings more than 15 years of experience in the field of strategic business development and managing business operations. He currently heads the Exports & Institutional divisions of the Company.
2.	**Past remuneration**	Rs.7.07 Lakhs pm	Rs.3.92 Lakhs pm	Rs.4.85 Lakhs pm
3.	**Job profile and his suitability**	He was working as Chairman & Managing Director of the Company, to manage the whole business and affairs of the Company. Proposed to be re-appointed for same job profile.	He was working as President and Whole Time Director of the Company, handling Sales, Marketing & HR. Proposed to be reappointed for same job profile.	He was working as President and Whole Time Director of the Company, handling Strategic Business development and overall management of business operations. Proposed to be re-appointed for same job profile.

4.	**Remuneration proposed**	As mentioned in the Resolution and Explanatory Statement	As mentioned in the Resolution and Explanatory Statement	As mentioned in the Resolution and Explanatory Statement
5.	**Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)** The same remuneration is sought to be paid as appropriate remuneration due to inadequacy of profits and comparative remuneration profile would not be a determining fact. However, taking into consideration the size of the Company. The profile of all the above 3 Directors and the responsibilities shouldered on them, the Nomination and Remuneration Committee at their meeting had considered the remuneration payable to all the above 3 Directors and for the same competitive in line with their experience, skill and expertise in the Pharmaceutical Industry.			
6.	**Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.** Besides the remuneration payable to them as Managerial Personnel, all the 3 Directors above mentioned belong to the Promoter & Promoter Group of the Company.			

III. **Other Information:**

(1) Reason of loss or Inadequate profits: For the financial year 2022-23, Company is in profits. This approval is being taken to cover any future contingency of inadequate profits.

(2) Steps taken or proposed to be taken for improvement - To mitigate the anticipated adverse impact, the Company have various measures such as making alternate arrangements to operate to it in full production capacity. The Company is also exploring the new markets at overseas for Sales.

(3) Expected increase in productivity and profits in measurable terms - The Management has adopted focused and aggressive business strategies in all spheres of functions to improve the sales & profitability and focusing on pitching new market opportunities by launching products immunity boosters, Zinc tablets, etc in Nutraceutical and dietary segments of the Company. Considering the present business scenario, the Company is expecting increase in revenue and profitability. The Management is confident of keeping a higher growth ratio in the period to come and strong belief that business improvement will sustain in future.

IV. **Disclosures:** The Remuneration package and other information of all the Managerial Persons are given in the respective resolution and explanatory statement.

Appointment/Re-appointment of Directors: Additional Information of the Director seeking appointment/reappointment as required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are provided herein below:

Particulars	Mr. Abhay Kanoria	Mr. Nirbhay Abhay Kanoria	Mr. Rohit Choraria	Mrs. Jayashree
Director Identification Number (DIN)	00108894	02558300	07003583	09320683
Date of Birth	12-07-1956	05-03-1984		
Date of Appointment	05-08-1988	01-02-2017	09-05-2023	09-05-2023
Nationality	Indian	Indian	Indian	Indian
Qualifications	Science Graduate	Economics Graduate, BBA – Marketing from The University of Texas at Austin.	Chartered Accountant	Chartered Accountant

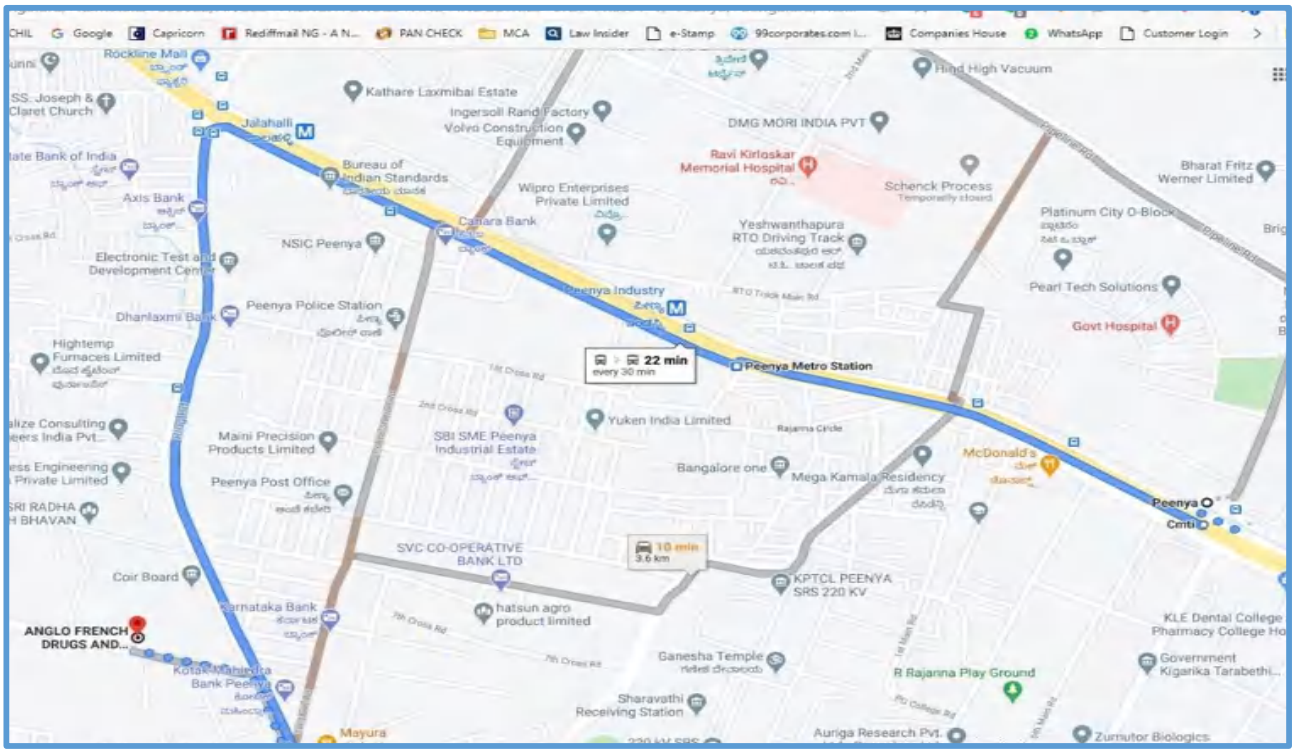
Experience and expertise in specific functional areas	Mr.Abhay Kanoria has been associated with the Company since 1986 and brings a rich experience in the Pharmaceutical industry for more than three decades.	Mr.Nirbhay Kanoria has been associated with the Company for over 11 years. He presently heading the Administration and Marketing Departments of the Company & New business.	Mr. Rohit Choraria is a practicing Chartered Accountant based in Bangalore with over 23 years of experience. He works with large corporates in areas spanning audit, tax, supply chain, commercial and business planning and operation controls. Prior to this, he gained extensive global finance and audit experience in New York and London in strategic positions at Fortune 500 companies like Goldman Sachs and Oracle. He is a rank holder Chartered Accountant, an Alumnus of London School of Economics, London and a University rank holder from Bangalore University. He has been a visiting finance faculty at Cambridge University, UK and Delhi University. His writings on pressing issues in finance and trade policy have been published frequently in leading national dailies and journals. He has also mentored and invested in a few successful start-ups in India and abroad.	Mrs. Jayashree V Ranade, has joined General Insurance Corporation of India in the year 1988 as Assistant Administrative Officer. During her service she handled responsibilities at various levels in Finance Department, Taxation and Investment Department. She was selected by the Corporation for Executive MBA course at Management Development Institute, Gurgaon in 2006. Since 2012 to May 2016, she was on deputation to the associate Company 'India International Insurance Pte Ltd, at Singapore as Head of Finance Department. She is a visiting faculty at NIA, Pune and she has represented GIC Re and India International Insurance at various national and international conferences. She has participated in insurance and reinsurance related seminars not only in India but overseas as well.
Shareholding in the Company	Nil	Nil	Nil	Nil
Remuneration last drawn	Rs.7.07 Lakhs pm	Rs.3.92 Lakhs pm	NA	NA
Directorship held in other body corporate as on 31st March 2023	1. Broach Textile Mills Limited– MD 2. Radha Kesari Spinning Mills Limited 3. Sudarshan Exports Limited	1. AFD Pharma Private Limited 2. Shri Binod Kanoria Foundation 3. Entrepreneurs' Organization Mumbai	None	1) GIC Bhutan Reinsurance Company Limited, Bhutan 2) IDBI Trusteeship Services Limited

	4. Shri Binod Kanoria Foundation 5. Ekta Tie-up Private Limited.,			
umber of meetings of the Board attended during the financial year March 31, 2023	5 out of 5	5 out of 5	NA	NA
Committee position held in other companies (Chairmanship/ Membership of Audit & Stakeholders Relationship Committee of other Public Companies as on March 31, 2023).	None	None	None	None
Relationship with other Directors/ Key Managerial Personnel	Mr.Abhay Kanoria is the father of Mr.Nirbhay Abhay Kanoria	Mr.Nirbhay Abhay Kanoria is the son of Mr.Abhay Kanoria	None	None

Route Map for Annual General Meeting Venue

Venue: Plot No.4, Peenya Industrial Area, Phase II, Peenya, Bengaluru - 560058

Date: Thursday, 3rd August 2023 at 4.30 p.m.



ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED
CIN: L24230KA1923PLC010205
Registered Office: No.41, 3rd Cross, V Block, Rajajinagar, Bengaluru – 560010.
Email ID: compliance@afdil.com **Website:** www.afdil.com

ATTENDANCE SLIP

I hereby record my presence at the One hundredth (100th) Annual General Meeting held on Thursday, 3rd August, 2023 at 4.30 p.m. at Plot No.4, Phase II, Peenya Industrial Area, Peenya, Bengaluru – 560058, Karnataka.

Folio No. / DP ID-Client ID	
Full Name of the Shareholder in Block Letters	
No. of Shares held	
Name of Proxy (if any) in Block Letters	

Note: 1. A proxy attending on behalf of Shareholder(s) should write the name of the Shareholder(s) from whom he holds Proxy.

2. Members will be provided with a copy of Annual Report at the Meeting.

_____

Signature of the Shareholder/Proxy

ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED
CIN: L24230KA1923PLC010205
Registered Office: No.41, 3rd Cross, V Block, Rajajinagar, Bengaluru – 560010
Email ID: compliance@afdil.com **Website:** www.afdil.com

PROXY FORM
(Form No.MGT-11)

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration Rules, 2014)

CIN	**L24230KA1923PLC010205**
Name of the Company	**Anglo-French Drugs & Industries Ltd.**
Registered Office	**No.41, 3rd Cross, V Block, Rajajinagar, Bengaluru -560010.**
Name of the Member(s):	
Registered Address:	
E-mail ID :	
Folio No./Client ID or DP ID :	

I/We, being the member(s) of ……., shares of the above named Company hereby appoint:

1)_____of_____having e-mail ID_____or failing him/her

2)_____of_____having e-mail ID_____or failing him/her

3)_____of_____having e-mail ID_____or failing him/her

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Thursday, 3rd August 2023, at 4.30 p.m. at Plot No.4, Phase II, Peenya Industrial Area, Peenya, Bengaluru – 560058, Karnataka, and at any adjournment thereof in respect of such resolutions as are indicated below:

* I/We appoint my / our above Proxy to vote in the manner as indicated in the box below:

Resolution No.	Description	I assent to the Resolution	I dissent to the Resolution
1	To receive, consider and adopt the Audited Financial Statements of the Company, for the financial year ended 31st March, 2023 together with the Report of the Board of Directors and Auditors thereon.		
2	To declare final dividend on equity shares for the Financial Year ended 31st March 2023.		
3	To appoint a Director in place of Mr. Rakesh Kanyadi, DIN: 08532438, who retires by rotation and being eligible, offers himself for re-appointment.		
4	Re-appointment of Mr. Abhay Kanoria, DIN: 00108894 as Chairman and Managing Director of the Company, together with revision of Remuneration		
5	Re-appointment of Mr. Nirbhay Abhay Kanoria, DIN:02558300 President and Whole Time Director, together with revision of Remuneration		
6	Revision of Remuneration to Mr. Uddhav Abhay Kanoria, DIN: 00108909 President and Whole Time Director.		
7	Appointment of Mrs. Jayashree V Ranade, DIN: 09320683 as Nominee Director in place of Mrs. Girija Subramanian DIN:09196957		
8	Appointment of Mr. Rohit Choraria, DIN: 07003583 Additional Director as Non-Executive and Non-Independent Director		
9	Appointment and ratification of remuneration of Cost Auditors of the Company for the Financial Year 2023-24		

Signed this …….. day of August, 2023.

Affix Revenue Stamp of not less than ₹ 1/-

Signature of Shareholder

Signature of Proxy holder (s)

Notes:

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Please complete all details of Member(s) before submission.

BOARD'S REPORT

To the Members,

Your Directors are pleased to present the 100th Annual Report of the Company and the Audited Financial Statements for the year ended 31st March 2023.

1. **FINANCIAL HIGHLIGHTS**

(All figures are Rs. in Lakhs)

Particulars	**Financial year 2022-23**	Financial year 2021-22
Revenue from Operations	**10,251**	16,480
Other Income	**759**	81
Profit before Depreciation, Tax and Exceptional item	**-3,685**	471
Depreciation and Amortisation	**334**	290
Exceptional Item	**29,127**	-
Provision for Tax	**6,014**	(36)
Profit / (Loss) for the year	**19,094**	145

2. **SHARE CAPITAL**

a. **Authorized Share Capital**- The authorised share capital of the Company as on 31st March, 2023 is Rs.2,00,00,000/- (Rupees Two Crores Only) divided into 20,00,000 equity shares of Rs.10 /- (Rupees Ten Only) each. During the financial year under review, there is no change in the authorised share capital of the Company.

b. **Issued, Subscribed and Paid-up Share Capital** - The issued, subscribed and paid-up share capital of the Company as at 31st March, 2023 is ₹1,29,15,000/- (Rupees One Crore Twenty Nine Lacs Fifteen Thousand Only) comprising of 12,91,500 equity shares of ₹ 10/- (Rupees Ten Only) each.

3. **COMPANY'S PERFORMANCE**

Your Company's revenue from sales and operating income is Rs. 10,251 Lakhs (Rs.16,480 Lakhs last year). Net Profit for the year is Rs. 19,094 Lakhs including the amount of exceptional item .

Exceptional item pertains to the Sale of portfolio of brands of the Company to Lupin Limited.

4. **DIVIDEND**

The Board has recommended a final dividend of Rs.20/- per equity share of face value of Rs.10/- (Rupees Ten only) @ 200% for the financial year ended 31st March 2023 subject to the approval of the members, payable to those shareholders whose names appear in the Register of Members as on the book closure date.

5. **TRANSFER TO GENERAL RESERVE**

No amount is proposed to be transferred to the general reserve for the year under review.

6. **SUBSIDIARY COMPANY**

Your Company had one Wholly Owned Subsidiary Anglo-French Drugs & Industries Pte Limited, Singapore. The Company was in going concern, its significant customers were located in Belarus and Russia mainly. These countries were facing severe financial and other hardships. Consequently Directors at their meeting held on 31st January 2023, concluded that there is no scalable operation and decided to wind up the Company. The process is well under way.

7. **DIRECTORS & KEY MANAGERIAL PERSONNEL**

The composition of the Board is in accordance with the provisions of Section 149 of the Act and the SEBI Listing Regulations, with an appropriate combination of Executive, Non-Executive Directors and Independent Directors.

As on 31st March, 2023, the Company had 8 (Eight) Directors details of which are as under:

Sr.No	Composition Mix	Directors
1.	Chairman & Managing Director	1
2.	Whole-Time Director	2
3.	Independent Director	3 *
4.	Non-Executive Director	1
5.	Nominee Director	1

* Includes one Independent Woman Director on the Board of the Company.

None of the Directors are related to each other except Mr. Abhay Kanoria, Mr. Uddhav Kanoria and Mr.Nirbhay Kanoria.

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013 (the "Act") that they meet the criteria of independence laid down in Section 149(6) of the Act and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Company has obtained a Certificate from M/s. Swaroop Suri & Associates, Practicing Company Secretaries, pursuant to Regulation 34(3) read with Schedule V of SEBI(LODR) Regulations 2015, that none of the Directors on the Board of the Company were debarred or disqualified from being appointed or continuing as a Director on the Board.

As per the provisions of the Act, Mr.Rakesh P Kanyadi retires by rotation at the ensuing Annual General Meeting and, being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

During the year, Your Company took Postal Ballot approval for:

1. The re-appointment of Mr. Abhay Kanoria DIN: 00108894 as the Chairman and Managing Director of the company for a period six months from 01st April 2023 to 30th September 2023 and retain the same remuneration with terms and conditions from 01st July 2023 to 30th September 2023.

2. The re-appointment of Mr. Nirbhay Abhay Kanoria DIN:02558300 as the President and Whole Time Director of the company for a period eight months from 01st February 2023 to 30th September 2023 and retain the same remuneration with terms and conditions from 01st July 2023 to 30th September 2023 .

3. To retain the same remuneration with terms and conditions to Mr. Uddhav Abhay Kanoria DIN: 00108909 President and Whole Time Director of the company from 01st July 2023 to 30th September 2023

During the year, the Non-Whole time directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees with related expenses incurred for attending meetings of the Company.

During the year, CS Mrs. Sriee Aneetha M was appointed as Company Secretary of the Company with effect from 16th August 2022.

8. **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(5) of the Act, the Directors' Responsibility Statement is given hereunder:

i In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures if any;

ii The Directors have, in the selection of the accounting policies, consulted the statutory auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

iii The Directors have taken proper and sufficient care, for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv The Directors have prepared the annual accounts on a going concern basis;

v The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

vi The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

9. **BOARD EVALUATION**

SEBI Listing Regulations mandates that the Board shall monitor and review the Board evaluation framework. The structure includes the evaluation of directors on various parameters such as board dynamics and relationships, information flow, decision making, relationship with stakeholders, company performance, tracking board and committees' effectiveness, and peer evaluation.

As per the provisions of the Act including Schedule IV, the evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The Board approved the evaluation results as collated by the nomination and remuneration committee.

In a separate meeting of Independent Directors held on 06th February 2023, performance of Non-Independent directors, performance of the Board as a whole and performance of the Chairperson of the Company was evaluated.

10. **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Board of Directors has framed a policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel (KMP), senior management personnel and their remuneration as part of its role and other matters provided under Section 178(3) of the Companies Act, 2013 and Listing Regulations.

Pursuant to Section 134(3) of the Companies Act, 2013, the nomination and remuneration policy of the Company which lays down the criteria for determining qualifications, competencies, positive attributes and independence for appointment of Directors and policies of the Company relating to remuneration of Directors, KMP and other employees was amended and adopted by the Board of Directors at their meeting held on 14th June, 2021. The Policy is available on the website of the Company at https://www.afdil.com.

11. **CODE OF CONDUCT**

The Company has adopted the Code of Conduct for its Board Members and Senior Management of the Company. All the Board members and Senior Management personnel have affirmed compliance with the applicable Code of Conduct.

12. **MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**

A separate section on Management Discussion and Analysis Report (MDAR) which forms a part of the Director's report is included as required under Regulation 34(2) (e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

13. **MEETINGS OF BOARD AND COMMITTEES**

A. BOARD MEETINGS:

During the Financial year 2022-23, Company held 5 Board Meetings on 12th May 2022, 13th June 2022 (Shorter Notice), 10th August 2022, 14th November 2022 and 06th February 2023.

Proper notices were given and the proceedings were properly recorded and signed in the Minutes Book. The necessary of capturing Assent and dissent were recorded and quorum was present at all the meetings.

B. COMMITTEE MEETINGS:

AUDIT COMMITTEE:
The Audit Committee of the Company is constituted in accordance with Section 177 of the Companies Act, 2013. As on 31st March, 2023 the Audit Committee comprised of 4 Directors, 3 of whom are Independent Directors.

The role and terms of reference of the Committee include the matters specified under Section 177 of the Companies Act, 2013:
- Oversight of the entity's financial reporting process;
- the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- examination of the financial statement and the auditors' report thereon;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- evaluation of internal financial controls and risk management systems;
- to review the functioning of the whistle blower mechanism

The composition of the Audit Committee as at 31st March, 2023 and the details of meetings attended by the Members during the FY 2022-2023 are given below;

Composition of Audit Committee and Attendance during the FY 2022-2023			
Name of Members	**Designation/Category**	**No. of Committee Meetings held and attended during the FY 2022-2023**	
		Held	**Attended**
Mr. N. Ahmedali	Chairman – Independent Director	4	4
Mrs. Neha Gada	Member - Independent Director	4	4
Mr. Sanat Shirali	Member - Independent Director	4	3
Mr. Abhay Kanoria	Member – Executive Director	4	4

During the year 2022-2023, Four (4) Audit Committee meetings were held on 12th May 2022, 10th August 2022, 14th November 2022 and 06th February 2023.

The Company Secretary acts as the Secretary of the Committee.

NOMINATION AND REMUNERATION COMMITTEE:
The Nomination and Remuneration Committee of the Company is constituted in accordance with Section 178 of the Companies Act, 2013. As on 31st March, 2023 the Nomination and Remuneration Committee comprised of 4 Directors, 3 of whom were Independent and Non-Executive Directors.

The role and terms of reference of the Committee include the matters specified under Section 178 of the Companies Act, 2013:
- To formulate criteria for determining qualifications, positive attributes and independence of a Director;
- Recommend to the Board the appointment/ reappointment of Directors and Key Managerial Personnel;
- Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors.
- Overall familiarisation programmes with Directors;

• Recommend to the Board the Remuneration policy for Directors, executive team or Key Managerial Personnel as well as rest of the employees.

The composition of the Nomination and Remuneration Committee as at 31st March, 2023 and the details of meetings attended by the Members during the FY 2022-2023 are given below:

Composition of Nomination & Remuneration Committee and Attendance during the FY 2022-2023			
Name of Members	**Designation/Category**	**No. of Committee Meetings held and attended during the FY 2022-2023**	
		Held	**Attended**
Mr. N. Ahmedali	Chairman – Independent Director	3	3
Mrs. Neha Gada	Member - Independent Director	3	3
Mr. Sanat Shirali	Member - Independent Director	3	2
Mr. Abhay Kanoria	Member – Executive Director	3	3

During the year 2022-2023, Three (3) Nomination and Remuneration Committee meetings were held on 12th May 2022, 13th June 2022 and 14th November 2022

The Company Secretary acts as the Secretary of the Committee

STAKEHOLDER'S RELATIONSHIP COMMITTEE:
The Stakeholder's Relationship Committee of the Company is constituted in accordance with Section 178 of the Companies Act, 2013. As on 31st March, 2023 the Stakeholder's Relationship Committee comprised of 4 Directors, 2 of whom are Independent and Non-Executive Directors.

The role and terms of reference of the Committee include the matters specified under Section 178 of the Companies Act, 2013:

• Consider and resolve the grievances of security holders;
• Consider and approve the issue of share certificates, transfer and transmission of securities etc.;

The composition of the Stakeholders Relationship Committee as at 31st March, 2023 and the details of meetings attended by the Members during the FY 2022-2023 are given below:

Composition of Stakeholders Relationship Committee and Attendance during the FY 2022-2023			
Name of Members	**Designation/Category**	**No. of Committee Meetings held and attended during the FY 2022-2023**	
		Held	**Attended**
Mr. N. Ahmedali	Chairman – Independent Director	1	1
Mr. Sanat Shirali	Member - Independent Director	1	1
Mr. Uddhav Kanoria	Member – Executive Director	1	1
Mr. Nirbhay Kanoria	Member – Executive Director	1	1

During the year under review, one meeting of Stakeholders' Relationship Committee was held on 06th February 2023. The Company Secretary acts as the Secretary of the Committee

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
The Corporate Social Responsibility Committee of the Company is constituted in accordance with the Section 135 of the Companies Act, 2013, and Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014.

The role and terms of reference of the Committee include the matters specified under Section 135 of the Companies Act, 2013:

- Formulation and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the projects/activities to be undertaken by the Company in areas or subject, as specified in Schedule VII.
- Recommend the amount of expenditure to be incurred on CSR projects/activities undertaken.
- Shall institute a transparent monitoring mechanism for implementation of CSR projects/ activities undertaken by the company.
- Reviewing performance of the Company in the areas of CSR.
- Submit an annual report of CSR projects/ activities to the board
- Monitoring CSR Policy from time to time.

The composition of the Corporate Social Responsibility Committee as at 31st March, 2023 and the details of meetings attended by the Members during the FY 2022-2023 are given below:

Composition of Corporate Social Responsibility Committee and Attendance during the FY 2022-2023			
Name of Members	**Designation/Category**	**No. of Committee Meetings held and attended during the FY 2022-2023**	
		Held	**Attended**
Mrs. Neha Gada	Chairman – Independent Director	1	1
Mr. Uddhav Kanoria	Member – Executive Director	1	1
Mr. Nirbhay Kanoria	Member – Executive Director	1	1

During the year under review, one meeting of CSR Committee was held on 06th February 2023. The Company Secretary acts as the Secretary of the Committee.

C. GENERAL BODY MEETINGS

a. Annual General Meeting – The 99th Annual General Meeting of the Company was held on 10th August 2022.

b. During the year, the Company conducted one postal ballot for 3 Special Resolutions;
- re-appointment of Mr. Abhay Kanoria DIN: 00108894 as the Chairman and Managing Director of the company for a period six months from 01st April 2023 to 30th September 2023 and retain the same remuneration with terms and conditions from 01st July 2023 to 30th September 2023.

- Re-appointment of Mr. Nirbhay Abhay Kanoria DIN:02558300 as the President and Whole Time Director of the company for a period eight months from 01st February 2023 to 30th September 2023 and retain the same remuneration with terms and conditions from 01st July 2023 to 30th September 2023.

- To retain the same remuneration with terms and conditions to Mr. Uddhav Abhay Kanoria DIN: 00108909 President and Whole Time Director of the company from 01st July 2023 to 30th September 2023

14. **AUDITORS**

a. Statutory Auditors:

In compliance with the Companies (Audit and Auditors) Rules 2014, M/s KAMG & Associates, Chartered Accountants (FRN:311027E) were re-appointed as the Statutory Auditors of the Company, at the 99th AGM held on 10th August, 2022 for a period of five years till the conclusion of 104th Annual General Meeting of Company.

M/s. KAMG & Associates, have consented to the said reappointment, and confirmed that their reappointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be reappointed as statutory auditor in terms of the provisions of the Act, and the provisions of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time. The audit report does not contain any adverse remark or qualifications.

b. Cost Auditor:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and as per the Companies (Cost Records and Audit) Rules, 2014 and amendments thereof, the Board, at its meeting held on 09th May 2023, has approved the appointment of _Sandhya .P & Co, Cost Accountants, Bengaluru (Firm Registration No. 004755) as the Cost Auditors of the Company to conduct cost audit of the accounts maintained by the Company, in respect of the Formulation products for the Financial Year 2023-2024.

c. Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors on the recommendation of the Audit Committee, at its meeting held on 09th May 2023 have appointed M/s. Swaroop Suri & Associates, Practising Company Secretaries, for conducting the Secretarial Audit of the Company for the Financial Year 2023-2024.

The Secretarial Audit report issued by M/s. Swaroop Suri & Associates, Practising Company Secretary for the financial year ended 31st March, 2023 is annexed as Annexure I to this report. The audit report does not contain any adverse remark or qualifications.

d. Internal Auditor:

M/s B Choraria & Mates., Chartered Accountants, were appointed as the Internal Auditors of the Company for the Financial Year 2023-24.

During the year under review, M/s B Choraria & Mates., Chartered Accountants, Bengaluru carried out the internal audit exercise and submitted their report for Financial Year 2022-2023.

15. **CORPORATE GOVERNANCE**

The Corporate Governance is not applicable to the Company in accordance with SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015. However, the Company is committed to maintaining the highest standards of Corporate Governance and adhering to the corporate governance requirements.

16. **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company has established a vigil mechanism/framed a whistle blower policy. The policy enables the employees and other stakeholders to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. No personnel have been denied access to the Audit Committee. The provisions of this policy are in line with the provisions of Section 177 (9) of Companies Act, 2013. The policy is available on the website of the company at www.afdil. Com

17. **INTERNAL FINANCIAL CONTROL (IFC) SYSTEM AND THEIR ADEQUACY**

As per the provisions of the Companies Act, 2013, the Directors have the responsibility for ensuring that the company has implemented robust system / framework for IFCs to provide them with reasonable assurance regarding the adequacy and operating effectiveness of controls to enable the Directors to meet with their responsibility.

The Company has in place a sound financial control system and framework in place to ensure:

- The orderly and efficient conduct of its business,
- Safeguarding of its assets,
- The prevention and detection of frauds and errors,
- The accuracy and completeness of the accounting records and
- The timely preparation of reliable financial information

18. **QUALITY**

The quality function at AFDIL has been at the forefront when it comes to healthcare. The products manufactured are of the highest quality, safest and effective. Our commitment to quality is managed by current and validated technology, the best resources, effective GMP, efficient and trained personnel, excellent production design and continuous inprocess monitoring.

19. **PARTICULARS OF CONTRACTS & ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company.

There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence there is no information to be provided as required under Section 134(3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

Pursuant to the provisions of Section 188(1) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of contracts and arrangements entered between the Company and the Related Parties, in the prescribed Form AOC-2, are as per Annexure II.

The Company has formulated a Related Party Transactions Policy which is available on the website of the Company www.afdil.com

20. **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

The loans, Guarantees and investments under Section 186 of the Act form a part of Financial Statements.

Your Company has obtained member's approval by way of Special Resolution through Postal Ballot on 22nd March 2022, to give any loan to any person or body corporate, give any guarantee or provide security in connection with a loan to any other body corporate or person, and acquire by way of subscription, purchase or otherwise, the securities of any other body corporate on such terms and conditions up to the limit aggregating to and not exceeding INR 300 crores (Rupees Three Hundred Crores Only).

21. **PARTICULARS OF EMPLOYEES AND REMUNERATION**

The total number of employees of the company as on 31st March, 2023 was 334 as against 455 as on 31st March, 2022.

The information required pursuant to the provisions of Section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been appended as Annexure III to this Report.

The Board of Directors affirms that the remuneration paid to the employees of the Company is as per the Policy on Directors' appointment and remuneration for Directors, KMPs and other employees and is in accordance with the requirements of the Act and SEBI Listing Regulations.

22. **DEPOSITS FROM PUBLIC**

During the year under review, your Company neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

23. **DISCLOSURE ON MATERIAL CHANGE UNDER SECTION 134(3)(L) OF THE COMPANIES ACT, 2013**

Except as disclosed elsewhere in the Report, no material changes and commitments which could affect the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

24. **SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS**
There are no significant and material orders passed by any Regulator/ Court that would impact the 'going concern' status of the Company and its future operations.

25. **RISK MANAGEMENT POLICY**
The Company has implemented a risk management policy for the Company including identification therein of elements of risk, if any, and the same has been inserted in the website of the Company. The policy is available on the website of the Company at www.afdil.com

26. **COMPLIANCE WITH SECRETARIAL STANDARDS**
The Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

27. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**
The Information required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in Annexure IV to the Report and forms a part of this Report.

28. **EXTRACTS OF ANNUAL RETURN**
The extract of the Annual Return required pursuant to Section 92 (3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules 2014, will be made available on the website of the Company at www.afdil.com

29. **INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**
Pursuant to the provisions of section 124 (5) of the Companies Act, 2013 read with the IEPF Rules, There are no unclaimed and unpaid dividends/shares to be transferred as per the requirements of the IEPF rules, during the year.

Details of Nodal Officer:
Name & Designation: Mr.Harshwardhan Murarka – Chief Financial Officer and
Mrs.Sriee Aneetha.M – Company Secretary and Compliance Officer Address:
No.41, 3rd Cross, V Block, SSI Area, Rajajinagar, Bengaluru – 560 010.
Email:Compliance@afdil.com

30. **COMPLIANCE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**
The Company has a robust mechanism in place to redress complaints reported under it. The Company has in place a policy for prevention, prohibition and redressal of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment. Further, the Company has also constituted an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, where employees can register and redress complaints pertaining to sexual harassment. During the year ended 31st March, 2023, no cases of sexual harassment were reported in your Company.

31. **DISCLOSURE OF ACCOUNTING TREATMENT**
The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (IND AS) to comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable.

32. **DETAILS OF NON COMPLIANCE**
There have been no instances of non-compliance on any matter as regards the rules and regulations prescribed by the Stock Exchange, SEBI or any statutory authority relating to capital markets during the last three years. No penalties or strictures have been imposed by them on the Company.

33. **DISCLOSURES ON DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT**
The Company does not have any unclaimed shares and hence there are no disclosures to be made pursuant to Regulation 39(4) of the SEBI Listing Regulations.

34. **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Committee has formulated Corporate Social Responsibility Policy which recommends the social activities to be undertaken by the Company, as specified in Schedule VII of the Companies Act, 2013. A copy of the said Policy is available on Company's website at www.afdil.com

During the Financial year 2020-21, CSR amount of Rs.27.59 Lakhs was assumed to be spent in the Financial year 2021-22 in accordance with the section 135(5) of the Companies Act 2013 but inadvertently calculated as against to the actual computed amount of Rs. 7.44 Lakhs. However the Company had paid Rs.27 Lakhs on 24th Feb 2022 to comply with the CSR Rules.

Pursuant to The Companies (Corporate Social Responsibility Policy) Amendment Rules 2021 dated 22nd January 2021, the Balance amount Rs.19.56 Lakhs has been set off against the CSR amount Rs.9.22 Lakhs computed for the Financial year 2022-23. Hence no amount is spent during the Financial year 2022-23.

Annual Report on CSR Activities for the Financial Year ended 31st March 2023, is annexed herewith as Annexure V.

35. **GREEN INITIATIVES**

Electronic copies of the Annual Report 2022-2023 and the notice of the 100th Annual General Meeting are being sent to all members whose e-mail addresses are registered with the Company/Depository Participants.

36. **ACKNOWLEDGEMENTS**

Your Directors acknowledge with gratitude the continued support, patronage and co-operation received from the Medical Professionals, Trade, Banks, other Business Associates, the Central and State Governments and the Shareholders.

Your Directors also place on record their appreciation of all the employees of the company for their valuable contribution and dedicated service.

On behalf of the Board,

Abhay Kanoria
Chairman & Managing Director
(DIN: 00108894)

Place: Bengaluru
Date: 09th May 2023

ANNEXURE I

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014)

To,
The Members of Anglo-French Drugs and Industries Limited
CIN: L24230KA1923PLC010205
Bengaluru

I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by M/s. Anglo-French Drugs andIndustries Limited, (herein after referred to as "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the informationprovided by the Company, its officers, agents and authorized representatives duringthe conduct of secretarial audit, I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2023 complied with the statutory provisions listed hereunder and also that the Company has properBoard-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and otherrecords maintained by the Company for the financial year ended on 31st March 2023 according to the provisions of:

(i) The Companies Act, 2013, (the Act) and the Rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules madethereunder;
(iii) The Depositories Act, 1996 and the Regulations and By-laws framed thereunder;
(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
(v) The following Regulations are applicable, as amended from time to time and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act');
   a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with stakeholders; and
   d. The Securities and Exchange Board of India (Substantial Acquisition of Sharesand Takeovers) Regulations, 2011;
   e. The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018;

(vi) The following Regulations, as amended from time to time and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), *are* ***not applicable for the period under review***;
   a. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; *as* ***the Company has not issued any shares to employeesduring the year under review****;*
   b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ***as the Company has not issued any debt securities during the year under review;***
   c. The Securities and Exchange Board of India (Delisting of Equity Shares)Regulations, 2022; ***as the Company has not opted for delisting process during the year under review;***

d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; ***as the Company has not opted for any buy back of its securities duringthe year under review***;

(vii) Employees Provident Fund and Miscellaneous Provisions Act, 195
(viii) Employees State Insurance Act, 1948
(ix) Environment Protection Act, 1986 and other applicable environmental laws
(x) Indian Contract Act, 1872
(xi) Income Tax Act, 1961, Goods and Service Tax Act, 2017 and other related laws
(xii) Payment of Bonus Act, 1965
(xiii) Payment of Gratuity Act, 1972 and such other applicable labour laws.
(xiv) Trade Marks Act, 1999

Further, the sectoral laws applicable to the company were as under:
(i) The Drugs and Cosmetics Act, 1940
(ii) The Narcotic Drugs and Psychotropic Substances Act, 1985
(iii) The Drugs Price Control Order, 2016
(iv) The Factories Act, 1948
(v) The Air (Prevention and Control of Pollution) Act- 1981 and relevant rules.
(vi) The Water (Prevention and Control of Pollution) Act- 1974 and relevant rules.
(vii) The Environment (Protection) Act-1986 and relevant rules.
(viii) Bio-Medical Waste (Management and Handling) Rules, 1998.
(ix) Chemical Accidents (Emergency Planning Preparedness and Response) Rules,1996.
(x) Hazardous and other waste Management and transboundary Movement Rules,2016.

I have relied on the representation made by the Company and its Officers for systemsand mechanism formed by the Company for compliances under other applicable Acts,Laws, Rules and Regulations to the Company. I have also examined compliance withthe applicable clauses of the following:

(i) Secretarial Standards with respect to Meetings of the Board of Directors (SS-1)and General Meetings (SS-2) issued by The Institute of Company Secretaries ofIndia;
(ii) Guidance note on ICSI Auditing Standards CSAS 1 to CSAS 4;
(iii) Listing Agreement entered into with the Metropolitan Stock Exchange of IndiaLimited.
(iv) The Board of Directors of the Company is duly constituted with proper compositionof Executive Directors, Non-Executive Directors and Independent Directors including Women Directors.

I further report that:
(i) The Board of Directors of the Company is duly constituted with proper compositionof Executive Directors, Non-Executive Directors and Independent Directors including Women Directors.
(ii) Adequate notice is given to all directors to schedule the Board, Committee meetings and Postal Ballot. Agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
(iii) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
(iv) There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
(v) During the audit period the company has no major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013, having major bearing on the company's affairs in pursuance of the above referred laws, rules,regulations, guidelines,standards etc.
(vi) We further report that during the review period, significant transactions have been placed before the shareholders through postal ballot and the same is approved by them. These following transactions are having a significant impacton the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

a. Re-appointment of Mr. Abhay Kanoria DIN: 00108894 as Chairman andManaging Director of the Company, together with revision of Remuneration

b. Re-appointment of Mr. Nirbhay Abhay Kanoria, DIN:02558300 President andWhole Time Director, together with revision of Remuneration.

c. Revision of Remuneration to Mr. Uddhav Abhay Kanoria DIN: 00108909President and Whole Time Director.

This Report is to be read with our letter of even date which is annexed as AnnexureA and forms an integral part of this report.

For Swaroop Suri and Associates
Company Secretaries
ICSI Unique Code: S2012KR181500
Peer Review Certificate No: 3302/2023

Place : Bengaluru
Date : 09.05.2023

Swaroop S
Proprietor
FCS No. 8977 CP No. 9997
UDIN : F008977E000239394

Annexure-A to MR-3

To,

The Members of Anglo-French Drugs and Industries Limited
CIN: L24230KA1923PLC010205
Bengaluru

Our report of even date is to be read along with this letter.

Management's Responsibility

1. To maintain the Secretarial records, devise proper systems and to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standardsand procedures followed by the Company with respect to secretarial compliances.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or Records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
6. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

8. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For Swaroop Suri and Associates
Company Secretaries
ICSI Unique Code: S2012KR181500
Peer Review Certificate No: 3302/2023

Place : Bengaluru
Date : 09.05.2023

Swaroop S
Proprietor
FCS No. 8977 CP No. 9997
UDIN : F008977E000239394

ANNEXURE II

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no contracts or arrangements or transactions entered into during the year ended 31st March 2023, which were not at arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis.

The details of material contracts or arrangements or transactions entered into during the year ended 31st March 2023, which are at arm's length basis are as follows.

Sr. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Mr. Abhay Kanoria/Mrs. Pallavi Kanoria
2.	Nature of contracts/ arrangements/ transaction	Payment of monthly rent for the Flat located at Bengaluru leased to the Company.
3.	Duration of the contracts/ arrangements/ transaction	Agreement renewed from 15-04-2022
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Rent Mr. Abhay Kanoria – ₹ 12,58,025/-P.A. Rent Mrs. Pallavi Kanoria- ₹ 12,58,025/-P.A.
5.	Date of approval by the Board	12-05-2022
6.	Amount paid as advances, if any	Nil

On behalf of the Board of Directors,

Place: Bengaluru
Date: 9th May 2023

Abhay Kanoria
Chairman & Managing Director
(DIN: 00108894)

ANNEXURE III

Information required under Section 197 (12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial year 2022-23 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial year 2022-23.

Name of the Director and Key Managerial Personnel	Designation	Ratio of remuneration of each Director to median remuneration of employees	Increase/(Decrease) in remuneration in FY 2022- 2023
Directors			
Mr. Abhay Kanoria	Chairman & Managing Director	21.41	7.86%
Mr. Uddhav Kanoria	President & Whole-Time Director	14.67	5.77%
Mr. Nirbhay Kanoria	President & Whole-Time Director	11.87	7.02%
Mr. Rakesh Parmeshwar Kanyadi	Non-Executive Director	8.23	28.28%
Mr. Sanat Shirali	Independent Director	Nil	Nil
Mr. N. Ahmedali	Independent Director	Nil	Nil
Mrs. Girija Subramanian	Nominee Director	Nil	Nil
Mrs. Neha Gada	Independent Director	Nil	Nil
Key Managerial Personnel			
Mr. Harshwardhan Murarka	Chief Financial Office	7.01	45.97%
Mrs. Sriee Aneetha M Wef:01-08-2022	Company Secretary & Compliance Officer	Nil	Nil

Remuneration does not include commission for the financial year 2022-2023.

Mrs. Sriee Aneetha M was appointed as Company Secretary w.e.f 01st August 2022 and hence the remuneration received in FY 2022-23 is not comparable with previous year and therefore the percentage is not stated.

Notes:
1. The Independent Directors and Nominee Director paid only Sitting Fees for attending the Board /Committee Meetings.
2. For the purpose of calculation of median remuneration, employees who have worked for part of the year were not considered.
3. The percentage increase in the median remuneration of employees in the financial year was 22.32%. For said calculation, employees who have worked for part of the year in FY 2022-23 were not considered to ensure comparability.
4. The number of permanent employees on the rolls of Company as on 31st March, 2023 was 334.
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: There were no change in the Managerial Remuneration for the Financial year 2022-23.
6. The average annual increase in the salaries of the employees during the year was 7% whereas increase in managerial remuneration for the year was Nil.
7. Affirmation that the remuneration is as per the remuneration policy of the Company:
The Company affirms remuneration is as per the remuneration policy of the Company.

ANNEXURE IV

The Information required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March 2023.

A. **CONSERVATION OF ENERGY:**

a. Energy conservation measures taken

b. Additional investments and proposals, if Any, being implemented for reduction of Consumption of energy.

c. Impact of the measures at (a) and (b) For reduction of energy consumption And consequent impact on the cost of Production of goods.

The Company is constantly concerned about energy conservation, but having regard to the present level of consumption and the nature of activities, which are not energy intensive, the need for taking special energy conservation measures as above not been immediately felt.

d. Total energy consumption and energy Consumption per unit of production → Please refer **Form A** hereunder

FORM A

[See Rule 2]

Form for disclosure of particulars with respect to conservation of energy

A. Power and Fuel consumption:

1. Electricity	**Current Year**	**Previous Year**
a. Purchased:		
Units	1075073	1200339
Total Amount in Lakhs	103	107
Rate / unit (Rs.)	9.63	8.95
b. Own Generation:		
I. Through Diesel Generator		
Units	7430	13077
Units per Liter of Diesel oil	2.88	2.80
Cost/Unit (RS.)	29.79	29.10
II. Through Steam Turbine / Generator		
Units	Nil	Nil
Units per Liter of Fuel/Gas		
Cost/Unit (RS.)		

2. Coal	**Current Year**	**Previous Year**
Quantity (tons)	Nil	Nil
Total Cost (Rs.)		
3. Furnace Oil		
Quantity (Kilts)	Nil	Nil
Total Amount (Rs.)		
4. Others/Internal generation		
Quantity	Nil	Nil
Total Cost (Rs.)		
Rate/Unit		

B. **Consumption per unit of Production:**

Particulars	**Standard [if any]**
Products (with details)	
Units	Taking into account the number of formulations manufactured by the Company and having regard to the records and other books maintained, it is not possible to apportion the consumption of utilities unit wise at this stage.
Electricity	
Furnace Oil	
Coal	
Others	

C. **TECHNOLOGY ABSORPTION:**

Efforts made in technology absorption. Please refer **Form B** hereunder.

FORM B

[See Rule 2]

Form for disclosure of particulars with respect to Technology Absorption

Research and Development [R&D]

1.	Specific areas in which R&D carried out by the Company	: Formulations: Development of new formulations, new dosage forms, substitution of imports by indigenous materials, improvement in process and stability of products.		
2.	Benefits derived as a result of the above R&D	: Launching of new products, increase in shelf life and reduction in costs.		
3.	Future plan of action	: Continuous development of new formulations.		
4.	Expenditure on R & D	:	**Current Year**	**Previous Year**
	a. Capital [₹ in Lacs]		Nil	63
	b. Recurring [₹ in 'Lacs]		39	25
	c. Total [₹ in 'Lacs]		39	88
	d. Total R&D expenditure as a % to total turnover		0.38%	0.53%

Technology absorption, adaptation and innovation

1.	Efforts in brief made towards technology absorption, adaptation and innovation	: Regular absorption of updated technical information.
2.	Benefits derived as a result of the above efforts e .g. product improvement, cost reduction, product development, import substitution, etc.	: Improved processes and operating efficiencies, cost reduction.
3.	In case of imported technology (imports during the last 5 years reckoned from following information may be furnished. a. Technology imported b. Year of Import c. Has technology been fully absorbed d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	Not Applicable

C. **FOREIGN EXCHANGE EARNINGS AND OUTGO**

a.	Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.	: Continuous efforts are made to increase exports and develop new export markets .		
b.		:	**Current Year**	**Previous Year**
	Total foreign exchange used (₹ in lacs)		101	114
	Total foreign exchange earned (₹ in lacs)		706	805

On behalf of the Board of Directors

Date: 09th May, 2023

Place: Bengaluru

Abhay Kanoria
Chairman & Managing Director
DIN: 00108894

Annual Report on CSR Activities for the financial year ended 31st March 2023 – ANNEXURE-V

1. **Brief outline on CSR Policy of the Company- CSR Philosophy**
   The Company's CSR policy is in adherence to the Provisions of Section 135 of the Act read with rules thereunder and provides for carrying out CSR activities in the area of Health including preventive healthcare either directly or through 'Non-Profit Organisations'.
   The CSR activities of the Company are aligned with the activities specified in Schedule VII of the Companies Act, 2013.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Neha Gada	Chairperson, Independent Director	1	1
2	Mr. Uddhav Kanoria	Member, Director	1	1
3	Mr. Nirbhay Kanoria	Member, Director	1	1

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company – www.afdil.com
4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). - **Not Applicable**
   In accordance with the provisions of Rules 8(3) of the Companies (Corporate Social Responsibility Policy) Rule, 2014 notified w.e.f. 22nd January 2021, the Company in not required to carry out impact assessment for CSR Projects.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**

6. Average net profit of the company as per section 135(5) - Rs.1,383/- Lakhs

7. (a) Two percent of average net profit of the company as per section 135(5)- Rs.9.22 Lakhs
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - **Nil**
   (c) Amount required to be set off for the financial year, if any - **Nil**
   (d) Total CSR obligation for the financial year (7a+7b-7c) – Rs.9.22 Lakhs

8. (a) CSR amount spent or unspent for the financial year 2022-23: Nil

Note- During the Financial year 2020-21, CSR amount of Rs.27.59 Lakhs was assumed to be spent in the Financial year 2021-22 in accordance with the section 135(5) of the Companies Act 2013 but inadvertently calculated as against to the actual computed amount of Rs. 7.44 Lakhs. However the Company had paid Rs.27 Lakhs on 24th Feb 2022 to comply with the CSR Rules.

Pursuant to The Companies (Corporate Social Responsibility Policy) Amendment Rules 2021 dated 22nd January 2021, the Balance amount Rs.19.56 Lakhs has been set off against the CSR amount Rs.9.22 Lakhs computed for the Financial year 2022-23. Hence no amount is spent during the Financial year 2022-23.

Total Amount Spent for the Financial Year. (in Rs.)	Amount unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer.
Nil	Nil			Nil	

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year: Nil

(1)		(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl No.		Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to unspent CSR account for the project as per Section 135(6) (in Rs.)	Mode of implementation – Direct (Yes/ No)	Mode of Implementation-through Implementing Agency	
					State	District						Name	CSR Registration number
								Nil					

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment, if applicable: **Nil**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Nil**

(g) Excess amount for set off, if any: **Nil**

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Nil**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year-**(asset-wise details).**

(a) Date of creation or acquisition of the capital asset(s): **Not Applicable**

(b) Amount of CSR spent for creation or acquisition of capital asset: **Not Applicable**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: **Not Applicable**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not Applicable**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : **Not Applicable**

– the reason for not spent is: During the Financial year 2020-21, CSR amount of Rs.27.59 Lakhs was assumed to be spent in the Financial year 2021-22 in accordance with the section 135(5) of the Companies Act 2013 but inadvertently calculated as against to the actual computed amount of Rs. 7.44 Lakhs. However, the Company had paid Rs.27 Lakhs on 24th Feb 2022 to comply with the CSR Rules.

Pursuant to The Companies (Corporate Social Responsibility Policy) Amendment Rules 2021 dated 22nd January 2021, the Balance amount Rs.19.56 Lakhs has been set off against the CSR amount Rs.9.22 Lakhs computed for the Financial year 2022-23. Hence no amount is spent during the Financial year 2022-23.

For and on behalf of the Committee and the Board of Directors,

Neha Rajen Gada
Chairperson of CSR Committee

Abhay Kanoria
Chairman & Managing Director
DIN: 00108894

Date: 9th May 2023
Place: Bengaluru

ANNEXURE - VI

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

Anglo-French Drugs & Industries Limited (AFDIL) commenced its operations in 1923 by importing and selling pharmaceutical products.

A few years later, the Company established its own manufacturing facilities in Bombay. By the year 1955, Anglo-French was one of the most reputed pharmaceutical organizations, manufacturing and marketing Sulpha drugs, Vitamins, Anti-Asthmatics and other ethical specialties.

In 1959, Anglo-French became an associate of F-Hoffmann-La Roche, Basle, Switzerland. This association enabled Anglo-French to have an access to the molecules developed by F.Hoffmann-La Roche.

At the turn of the sixth decade, Anglo-French entered the field of manufacture of Injectables in India. The Company was the first to manufacture "Single Vitamin" injectable and a combination of B Complex Vitamins. Later on, once again, Anglo-French was the first to manufacture and market in India a combination of Vitamin B1 and Vitamin B12. With a view to modernizing its manufacturing facilities and preparing for further expansion, in 1972, the formulation manufacturing facilities of the Company were shifted from Bombay to Bangalore. In late 1970s, the Company established its multipurpose basic drugs manufacturing unit also at Bangalore. The Formulation facilities established in 1972 covered Tablets, Liquids, Capsules and Protein preparations.

In 1985, the controlling interest in the Company was acquired by the Kanoria group. The Company has a well-equipped Quality Assurance Department, which thoroughly monitors quality of each and every product at every stage.

COMPANY AND DIVISION WISE PERFORMANCE

AFDIL is in the business of health care to mitigate human ailments so it is very important to maintain the quality standards. Your AFDIL, are committed to providing pharmaceutical products of global quality standards all over the world.

AFDIL currently has the following divisions:

- **Pharma** - Focused on an aging population, AFD Pharma division offers a complete portfolio of products focused on wellness & immunity. The product focus in immunity builders, fertility, liver health and general well-being.
- **Hospicare** - Hospicare products are focused on Orthopaedic doctors and general health, the division uses established channels of the institutional and surgical business to synergistically grow into a preferred partner for doctors.
- **Export** – AFDIL initiated exports in 1997 with registrations of products in Russia. Over the past decade, we have gained experience to meet & exceed our international customer expectations.
  Currently we have our presence in 16 countries across Eastern Europe, South East Asia & Africa. From a pure trading oriented approach in the early years of our export operations, we are significantly shifting our focus to operate as marketers in most operating countries. At present we are marketing our products in Belarus, Mauritius & Myanmar with our field forces.
- **Optima** - Optima division ensures that no one in India falls short of AFD's medicines. More than 350 products in various therapeutic segments are sold across India at affordable prices.
- **Trading** - AFD Trading focuses on supplying Raw materials to Pharma manufacturers. As AFDIL we are major formulation manufacturer of Vitamins and we are strong in sourcing vitamins and API's from India and overseas.
  AFDIL is one of the most reputed pharmaceutical organisations engaged in manufacturing and marketing of Sulpha Drugs, Vitamins, Anti-Asthmatic and other ethical specialities.

OPPORTUNITIES AND CHALLENGES

The COVID-19 pandemic has transformed the industry with increasing digitization, and traction of e-pharmacy and pharmacy chains. Increased healthcare coverage and better policy support are likely to boost growth whereas adverse regulation could impact in a negative way.

Factors which impact Industry and Company include:

- **E-pharmacy and Pharmacy Chains**: New-age channels are gaining increasing salience and have emerged as an additional access point for consumers along with brick-and-mortar retailers. The rapid growth of the sector further driven by COVID-19 tailwinds has led to the entry of conglomerates and e-commerce players like Reliance, TATA and Flipkart. Propelled by the impact of the pandemic and its impact on consumer behavior, the online pharmacy channel is expected to continue growing and it is estimated to reach 70 Million households by 2025.

- **Ayushman Bharat** : The central government's health insurance scheme, Ayushman Bharat – Pradhan Mantri Jan Arogya Yojana (AB-PMJAY), is expected to drive up public health insurance coverage. Over 18 crore e-cards had been distributed to PMJAY affiliates, while coverage under the scheme itself is limited to hospital inpatient care, it will allow a growing number of patients to gain access to healthcare, increasing rates of diagnosis and raising disease awareness. This will further benefit private clinics and the retail pharmacy sector.

- **GST** : The Indian Government is looking at rationalizing GST rates. Currently, majority of drugs are in 12% category. If drugs are put in higher category and if it is not implemented rationally, it may impact the industry.

- **OTC Drug Regulations** : The OTC sector in India has been growing at a healthy rate driven by growing access to information for patients and willingness to self-medicate. The Ministry of Health (MOH) has published a draft notification which proposes to allow 16 OTC drugs used for treatment of common ailments to be sold without doctor's prescription. The MOH also plans to formulate an OTC regulation to promote responsible self-medication for treatment of common ailments, which will also enhance access to healthcare services. Any policy mandate is likely to benefit the Company given its dedicated OTC vertical.

- **Uniform Code of Pharmaceutical Marketing Practices (UCPMP)** : UCPMP, while currently voluntary, could become mandatory in future. A mandatory code would require ethical marketing practices to be followed by all companies. Given that the Company has robust compliance processes in place, it would be well positioned under a strict enforcement of UCPMP.

- **NMC Regulations** : The National Medical Council has published draft Registered Medical Practitioner (Professional Conduct) Regulations, 2022, which has proposed several restrictions on RMP's engagements with the pharmaceutical industry and proposed changes in prescription guidelines. The draft once notified will replace the existing MCI regulations.

- **Digital Engagement** : Field force activity witnessed major disruption during the pandemic prompting companies to utilize digital means for engagement with Healthcare Professionals (HCPs). The trend is expected to continue with HCPs looking for high quality, scientific promotional material that is available at their convenience.

OUTLOOK

The global economy has adjusted to the COVID-19 pandemic's after-effects. Global GDP is predicted to expand by 2.7% in CY 2023, with Emerging and Developing Markets leading the way. The drop in CY 2022 has resulted in tremendous surge in overall output, consumption and commerce. All major nations have opened their borders to enable free commerce and travel, promoting growth in both established and emerging economies. The productivity of innovative modes of working has been emphasized by pandemic disruptions. Governments should seek to capitalize on good structural change wherever feasible, embracing digital transformation and retooling and reskilling employees to meet its demands.

With economic activity returning to normal across sectors and nations, the prognosis for the global economy appears to be positive. However, the impact of Ukraine's ongoing geopolitical turmoil and rising prices must be monitored. COVID-19 incidences have decreased, with few daily infections and a major portion of the

population immunized against the virus. While the pandemic is far from ended, Government must employ all available instruments to battle the virus, including fulfilling vaccination for mutated viruses and guaranteeing fair access to testing and treatment.

RISKS AND CONCERNS

High government control on drug pricing through the National List of Essential Medicines (NLEM) and Drug Price Control Orders (DPCO) along with restrictions on trade margins mark-ups create price pressure across the industry. Expansion of NLEM will remain a critical risk for the Company. Further, any supply chain disruptions due to new waves of the pandemic or geo-political incidents might affect operations negatively.

Similarly, any material rejig of the government's spending priorities could have a knock-on effect on the activities of the Company and consequently on its revenues.

Also, your Company's increasing exposure to international markets brings with it inherent risks like Foreign Currency Risk and Interest Rate risk. In addition, there are various external risk factors like a prolonged slowdown in India and/or the global economy, military exercise, change or delay in domestic economic reforms, political instability, hostilities, natural disasters, pandemics, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

We believe the Company has a proper and adequate internal control system commensurate with the size and scale of its operations to in place to ensure that all activities and transactions are monitored, authorized, recorded and reported correctly. An Internal Audit system is in place to conduct a regular check and review of accounting methodologies with a view to improving the control systems. The Audit Committee of the Board of Directors has appraised the adequacy of internal controls.

HUMAN RESOURCES

Human Resources (HR) remained a key focus area for your Company during the year under review. Various HR initiatives are taken to align the HR policies to the requirement of the business. The Company provides employees with a fair and equitable work environment and support to develop their capabilities. We are also focused on bringing in new talent and competencies to aid the Company's growth strategy.

KEY FINANCIAL RATIOS

The details of significant changes in key financial ratios, along with detailed explanations form part of the Financial Statement Note No.101

Change in Return on Net worth : The company has sold some of its products brand along with its entire inventory related to that brand together called as "Transferred Assets" during the Financial year 2022-23 at an agreed price of Rs. 30,868 Lakhs payable in the following manner:

i. On the Closing Date (on or before April 5, 2022) the purchaser shall pay Rs. 27,868 lakhs as initial purchase price to the Sellers Bank Accounts.

ii. Within five days from the closing date, the purchaser shall remit the Escrow Account of Rs. 2,500 Lakhs to the Escrow Account.

iii. On the Second Closing Date, the purchaser shall pay an amount of Rs. 500 Lakhs on satisfaction of the second Tranche condition.

The Company has recognised Rs.29,468 lakhs in quarter 1 of FY 22-23 and Rs.500 lakhs in quarter 2 of FY 22-23 on fulfilment of the condition for the said payment. No further revenue is required to be recognised for this transaction.

CAUTIONARY STATEMENT

Statement in the Management Discussion and Analysis describing the Company's objectives, projections, expectations and estimates regarding future performance may be 'forward-looking statements' and are bases on the currently available information. The management believes these to be true to the best of its knowledge at the time of preparation of this report. However, these statements are subject to certain future events and uncertainties, which could cause actual results to differ materially from those, which may be indicated in such statements.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED

Report on the Audit of the Financial Statements

Opinion
We have audited the accompanying financial statements of **Anglo French Drugs & Industries Limited** ("the Company", "AFDIL"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion
We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate, read with the paragraph below, to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter
We draw attention to Note 11 to the financial statements, Outstanding from Viva Remedies was sub-judice since 16th December, 2014. On 8th March, 2022 both the Company and Accused and their respective Counsels had settlement negotiations before "The court of the XXXIII Additional Chief Metropolitan Magistrate at Bangalore. The Accused has agreed to pay a sum of Rs.50 Lakhs against the total outstanding of Rs.128.52 Lakhs. The Company has already realised Rs. 42.75 lakhs upto 19th January 2023 and the Company has realised balance amount of Rs 7.25 lakhs on 03-02-2023. The Balance outstanding amount of Rs. 78.52 Lakhs is provided as doubtful debts and pending for RBI approval for write off from books of accounts.

We draw attention to Note 6 to the financial statements on ceasing of operations of the wholly owned subsidiary Anglo French Drugs & Industries Pte. Ltd. Singapore, with effect from 31-01-2023. All assets and liabilities of the said wholly owned subsidiary has been transferred to AFDIL as on the said date.

Our opinion is not modified in respect of the above matters.

Key Audit Matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	Principal audit procedures
Physical verification of inventory using alternative audit procedure ensuring veracity of inventory balances as on reporting date (Completeness, Accuracy, Cut off and Valuation) adopting alternative audit procedures.	Understood the process and tested the management's internal controls to establish the existence of inventory in relation to the process of periodic physical verification carried out by the management, the scope and coverage of the periodic verification programme, the results of such verification including analysis of discrepancies, if any;

	At selected locations at the end of the year during February-March 2023 where the management has carried out the physical verification and we have also participated and test checked the quantity and we corroborated the same with the books of accounts. We also inspected, for samples selected, supporting documentation relating to purchases and consumption, and such other third-party evidences wherever applicable.
Trade receivables net of provisions for expected credit loss as in note no. 11 of the financial statement Rs. 5,914 lakhs. Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions.	Our audit procedures related to the allowance for credit losses for trade receivables, based on the documents and correspondence available with the company and by considering subsequent realization of debts after 31.03.2023. We assessed the ageing of trade receivables and advances, the customer's historical payment patterns and whether any post year-end payments have been received up to the date of completing our audit procedures. Further in addition to the above process, a forward-looking expected loss impairment model as prescribed in IND AS 109 "Financial Instruments" was also applied by the Company. This involves judgment as the expected credit losses must reflect information about past events, current conditions and forecasts of future conditions.
Evaluation of uncertain indirect tax positions pertaining to pre-GST regime : The Company has material uncertain service tax and sales tax positions including matters under dispute which involve significant judgment to determine the possible outcome of these disputes.	The disputed Service Tax, Sales Tax and Value Added Tax and TDS amounting Rs 116 lakhs, Rs 148 lakhs and Rs.18 lakhs respectively have been disclosed. The Service tax dispute (Rs.116 lakhs comprising Rs.81.90 and Rs 34.17 lakhs) is pending with CESTAT and for which Stay Order has been obtained dated 26-11-2010. The status has remained unchanged since that time with no further hearing date. During the FY 2019-20 the Company had availed the Sabka Viswas Scheme for settlement of the demand of Rs 21.14 lakhs relating to 1.4.2012 till 31.3.2014 and a penalty of equivalent amount aggregating Rs.42 lakhs. The Sales Tax/VAT dispute amounting Rs 57 lakhs is pending with the Joint Commissioner of Commercial Taxes (Appeals) and Assistant Commissioner of Commercial Taxes (Appeals) mainly pertaining to non-submission of statutory C Forms, F-forms and is still in appeal stage without any settlement. TDS demand of Rs.18 lakhs which is appearing as default in TRACES, this default is from financial year 2007-08 to 2017-18, This default is due to errors in filling the TDS returns and which are rectifiable by filing revised returns.
Sale of portfolio products under the Company's brand The Company has sold the portfolio of brand (including all rights and interests associated with the products) along with identified intangible assets including without limitation all intellectual property rights in April 2022 based on approval by the shareholders of the Company in the EGM held on 28.02.2022 to Lupin Limited	The total sale consideration of Rs 30,868 lakhs also includes an amount of Rs 900 lakhs which is towards the same of products. The balance amount of Rs 29,968 lakhs has been received and accounted as revenue in the books during FY 2022-23 along with the expenses incurred consequent to this sale of brand. There is no further revenue to be recognized in the books w.r.t this transaction. This transaction has been disclosed as an exceptional item in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

a) We have sought and obtained all the information and explanations read with the "Emphasis of matter" second part of 'Basis for Opinion' paragraph, which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (refer note 43).

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

v. The Management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
Based on the audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

vi. The dividend paid by the Company during the year in respect of the dividend declared in the previous year is in accordance with Section 123 of the Act to the extent it applies to the payment of dividend.

h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and the operating effectiveness of the Company's internal financial controls over financial reporting.

i) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in Paragraphs 3 & 4 of the Order.

For KAMG & Associates
Chartered Accountants
Firm Reg No.: 311027E

Swetha Srinivasan
Partner
M.No 240553
Date: 09-05-2023
Place: Bengaluru
UDIN: 23240553BGZBUL9003

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)
Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of internal Financial Controls Over Financial Reporting
A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could

have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, subject to the matter mentioned in para above, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KAMG & Associates
Chartered Accountants
Firm Reg No.: 311027E
Sd/-
Swetha Srinivasan
Partner - M.No 240553
Date: 09-05-2023
Place: Bengaluru
UDIN: 23240553BGZBUL9003

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

   (b) The Company has maintained proper records showing full particulars of the intangible assets.

   (c) The Company has a regular programme for physical verification of its fixed assets by which its fixed assets are verified in a phased manner on a rotational basis covering all the fixed assets over a period of time. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets.

   (d) According to the information and explanation given to us by the Management, the Company has disclosed details of all immovable property in the financial statements for which the title deed is in the name of the Company.

   (e) According to the information and explanation given to us by the Management, the Company has not revalued any asset during the year except as required for adoption of relevant standards of Ind AS.

   (f) According to the information and explanation given to us by the Management, there has been no proceedings initiated against or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act 1988 and rules thereunder.

2. (a) The inventories have been physically verified by the Management during the year. In our opinion, the frequency of physical verification is reasonable and procedure adopted by the Management for physical verification is reasonable and adequate in relation to the size of the Company and nature of its business.

   (b) The Company has been sanctioned working capital limit in excess of Rs 5 crores on the basis of the security of current assets during the year. The statements as required have been submitted to the banks and are in agreement with the books of accounts to the extent verified by us.

3. During the year, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

4. The Company has not granted any loans, made investments or given guarantees to directors or any other person in whom the director is interested and hence the provisions of Section 185 of the Companies Act do not apply. In respect of the loans, investments and guarantees given by the Company for the loans taken by others from banks or financial institutions, provisions of Section 186 of the Companies Act 2013 does not apply.

5. The Company has not accepted deposits or amounts which are deemed to be deposits. Hence, we have nothing to report under this clause.

6. The maintenance of cost records has been specified by the Central Government under Section 148(1) of Companies Act for the nature of manufacturing activities carried on by the Company. The Company has maintained the prescribed accounts and records. We have not made a detailed examination of those records and have relied on the report produced by the Cost Auditor.

7. (a) The Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise and all other statutory dues. There has been no arrears of outstanding statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

   (b) The Company has not deposited dues on account of dispute, details of which are as below:

Name of the Statute	**Nature of the dues**	**Amount (Rs) (in lacs)**	**Period to which the amount relates**	**Forum where dispute is pending**	**Remarks, if any**
Central Excise Act and Finance Act 1994	Service tax/ Excise	82	April 2006 to August 2008	CESTAT - Bengaluru	--Nil--
Central Excise Act and Finance Act 1994	Service tax/ Excise	34	September 2008 to March 2009	CESTAT - Bengaluru	--Nil--
	TOTAL	**116**			
Sales tax and VAT laws	Sales Tax/ VAT	1	2002-2003	JCCT-Appeals-Patna	--Nil--
Sales tax and VAT laws	Sales Tax/ VAT	6	2004-2005	JCCT-Appeals-Patna	--Nil--
Sales tax and VAT laws	Sales Tax/ VAT	2	2005-2006	JCCT-Appeals-Lucknow	--Nil--
Sales tax and VAT laws	Sales Tax/ VAT	3	2006-2007	JCCT-Appeals-Dhar Pithampur	--Nil--

Sales tax and VAT laws	Sales Tax/ VAT	5	2007-2008	JCCT-Appeals-Dhar Pithampur	--Nil--
Sales tax and VAT laws	Sales Tax/ VAT	41	2008-2009	JCCT-Appeals-Dhar Pithampur	--Nil--
Sales tax and VAT laws	Sales Tax/ VAT	14	2009-2010	JCCT-Appeals-Dhar Pithampur	--Nil--
Sales tax and VAT laws	Sales Tax/ VAT	12	2010-2011	ACCT-Mumbai and Dhar Pithampur	--Nil--
Sales tax and VAT laws	Sales Tax/ VAT	53	2011-2012	ACCT- Mumbai	--Nil--
Sales tax and VAT laws	Sales Tax/ VAT	2	2014-2015	DCCT- Bengaluru	--Nil--
	TOTAL	**139**			
Income Tax Act 1961	TDS	18	2007-08 to 2017-18	TDS-CPC	--Nil--

8. According to the information and explanations provided to us, there were no instances of transactions not recorded in the books of accounts which were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961.

9. (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

   (b) According to the information and explanations given to us, the company has not been declared as a willful defaulter by any Bank or Financial Institution or any other lender.

   (c) According to the information and explanations given to us, the Company has not obtained any term loans during the year. Hence, we have nothing to report under this clause

   (d) According to the information and explanations given to us, the Company has not raised any short-term funds during the year. Hence, we have nothing to report under this clause.

   (e) According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence, we have nothing to report under this clause.

   (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, we have nothing to report under this clause.

10. (a) According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, we have nothing to report under this clause.

    (b) According to the information and explanations given to us, during the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible).

11. (a) According to the information and explanation given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.

    (b) The requirement to file Form ADT-4 as prescribed under Rule 13 of the Companies Audit and Auditors Rules 2014 is not applicable.

    (c) In our opinion and according to the information and explanations given to us, the Company has not

received any whistle blower complaints during the year.

12. The Company is not a Nidhi Company. Hence, we have nothing to report under sub clause (a) to (c) of this clause

13. In our opinion and according to the information and explanation given to us, the Company is in compliance with Section 188 and 177 of the Companies Act 2013 where applicable, for all transactions with the related parties and the details of the related party transactions have been disclosed in the financial statements etc as required by the applicable accounting standards.

14. (a) The Company has an internal audit system commensurate with the size and nature of its business.

    (b) The reports of the Internal Auditors for the period under audit were obtained and considered by the Statutory auditor.

15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

16. (a) The company is not required be registered under Section 45-IA of the Reserve Bank of India, 1934. Hence, we have nothing to report under this clause.

    (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Hence, we have nothing to report under this clause.

    (c) According to the information and explanations given to us, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Hence, we have nothing to report under this clause.

    (d) Since the Company is not a CIC, we have nothing to report under this clause.

17. According to the information and explanation given to us, the Company has not incurred any cash losses in the financial year and immediately preceeding financial year.

18. There was no instance of resignation of the statutory auditor during the year. Hence, we have nothing to report under this clause.

19. According to the information and explanation given to us and on the basis of the financial ratios ageing and the expected dates of realization of financial assets and payment of financial liabilities, in our opinion, there is no material uncertainty existing as on the date of the Balance sheet and the Company would be capable to meet all its liabilities existing on the date as and when they fall due within a period of one year from the balance sheet date.

20. There were no amounts unspent in compliance with second proviso to sub section (5) of Section 135 of the said act. Hence, we have nothing to report under this clause.

For KAMG & Associates
Chartered Accountants
Firm Reg No.: 311027E

Swetha Srinivasan
Partner - M.No 240553
Date: 09-05-2023
Place: Bengaluru
UDIN: 23240553BGZBUL9003

ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED
CIN: L24230KA1923PLC010205
Registered Office: 41, 3rd CROSS, SSI AREA, V BLOCK, RAJAJINAGAR, BANGALORE - 560 010

STATEMENT OF ASSETS AND LIABILITIES AS AT 31st MARCH 2023

(Rs. In Lakhs)

	Particulars	Note No.	As at March 31st, 2023 Audited	As at March 31st, 2022 Audited
	ASSETS			
1	**Non-current assets**			
	Property, plant and equipment	3	1,311	1,328
	Right of Use of Assets	4	484	546
	Intangible Assets	5	20	3
	Financial Assets			
	Investments	6	23	20
	Other Financial Assets	7	22	22
	Deferred tax assets (Net)	8	-	-
	Other Non Current Assets	9	-	-
	Subtotal (A)		**1,860**	**1,919**
2	**Current assets**			
	Inventories	10	903	3,276
	Financial Assets			
	(i) Trade Receivables	11	5,914	3,379
	(ii) Cash and cash equivalents	12 (a)	283	23
	(iii) Bank balances other than (ii) above	12 (b)	631	163
	(iv) Investments	13	16,676	-
	(iv) Other financial assets	14	832	484
	Current Tax Assets (Net)	15	-	-
	Other current assets	16	187	322
	Subtotal (B)		**25,426**	**7,647**
	TOTAL ASSETS(A+B)		**27,286**	**9,566**
	EQUITY AND LIABILITIES			
1	**Equity**			
	Equity Share capital	17	129	129
	Other Equity	18	20,755	1,715
	Subtotal (C)		**20,884**	**1,844**
	LIABILITIES			
2	**Non Current Liabilities**			
	Financial liabilities			
	Borrowings	19	1,696	1,993
	Other financial liabilities	20	110	311
	Deferred tax liabilities (net)	21	84	21
	Other Non Current Liabilities	22	570	604
	Employee Benefit Obligations	23	121	52
	Subtotal (D)		**2,581**	**2,981**
3	**Current liabilities**			
	Financial Liabilities			
	(i) Borrowings	24	910	1,476
	(ii) Trade Payables			
	a) Total outstanding dues of Micro and Small Enterprises	25	110	54
	b) Total outstanding dues other than Micro and Small Enterprises		1,807	2,177
	(iv) Other financial liabilities	26	953	929
	Current Tax Liabilities/ (Asset)	15	-9	68
	Short term Provisions	27	49	37
	Subtotal (E)		**3,820**	**4,741**
	TOTAL EQUITY AND LIABILITIES(C+D+E)		**27,286**	**9,566**

This is the Balance Sheet referred to in our report of even date.

For KAMG & ASSOCIATES
Chartered Accountants
Firm's Registration Number 311027E

CA Swetha Srinivasan
Partner
M.No. 240553
UDIN 23240553BGZBUL9003
Date: 09th May 2023
Place: Bengaluru

For and on behalf of the Board of Directors of
Anglo French Drugs & Industries Limited

N.Ahmedali
Director
DIN : 00704341

Abhay Kanoria
Chairman & MD
DIN : 00108894

Harshwardhan Murarka
Chief Financial Officer

Sriee Aneetha M
Company Secretary

ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED

CIN: L24230KA1923PLC010205

Registered Office: 41, 3rd CROSS, SSI AREA, V BLOCK, RAJAJINAGAR, BANGALORE - 560 010

Statement of Profit and Loss for the period ended 31st March 2023

(Rs. In Lakhs)

	Particulars	Note No.	For the period ended March 31st, 2023	For the year ended March 31st, 2022
	CONTINUING OPERATIONS			
1	**Income**			
	Revenue from operations	28	10,251	16,480
	Other income	29	759	81
	Total Revenue		**11,010**	**16,561**
2	**Expenses**			
	Cost Of Materials Consumed	30	2,875	3,398
	Purcases of Stock-in-Trade	31	3,896	4,692
	Changes in inventories of Finished Goods, Work in Progress and Stock in Trade	32	956	-180
	Employee benefits expense	33	2,329	2,897
	Finance costs	34	307	427
	Depreciation and amortization expense	35	334	290
	Other expenses	36	4,332	4,856
	Total Expenses		**15,029**	**16,380**
3	**Profit/(loss) before exceptional items and tax**		**-4,019**	**181**
4	Exceptional items	37	29,127	-
6	**Profit before tax**		**25,108**	**181**
7	**Tax expense:**			
	Current tax	38	5,950	139
	MAT Credit Entitlement		-	-85
	Deferred tax		64	-18
8	**Profit/ (Loss) for the year**		**19,094**	**145**
9	**Other Comprehensive Income**			
	A. (i) Items that will not be reclassified to Profit or Loss		5	3
	- Remeasurement of Post-employment benefit obligations		-67	94
	- Change in equity instruments- Fair value through Other Comprehens	-		
	Income tax relating to the above		-	-
	B (i) Items that will be reclassified to Profit or Loss		-	-
	Income tax relating to the above		-	-
	Total Other Comprehensive Income / (Loss)		**-62**	**97**
	Total Comprehensive Income for the year		**19,032**	**242**
	Earnings per share (Face value Rs.10/-bsic and Diluted [Refer Note 39 to the Financial Statements]		1,478	12

This is the Statement Profit and Loss referred to in our report of even date.

For KAMG & ASSOCIATES
Chartered Accountants
Firm's Registration Number 311027E

CA Swetha Srinivasan
Partner
M.No.240553
UDIN: 23240553BGZBUL9003
Date:09th May 2023

Place: Bengaluru

For and on behalf of the Board of Directors of
Anglo French Drugs & Industries Limited

N.Ahmedali
Director
DIN : 00704341

Abhay Kanoria
Chairman & MD
DIN : 00108894

Harshwardhan Murarka
Chief Financial Officer

Sriee Aneetha M
Company Secretary

ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED
CIN: L24230KA1923PLC010205
Registered Office: 41, 3rd CROSS, SSI AREA, V BLOCK, RAJAJINAGAR, BANGALORE - 560 010

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH 2023

(Rs. In Lakhs)

Particulars		For the period ended March 31st, 2023	For the period ended March 31st, 2022
		Audited	Audited
Cash flow from operating activities			
Profit before tax		**25,108**	**181**
Adjustments for :			
Depreciation and amortisation		334	290
Interest expense		307	427
Interest income		-344	-15
Provisions Written Back		-24	-33
Dividend income		-45	0
Operating profit before working capital changes		**25,336**	**850**
Adjustments for changes in :			
Trade receivables		-2,534	241
Inventories		2,374	390
Financial Assets (Current and Non-current)		-347	-18
Other assets (Current and Non-current)		135	-110
Trade payables		-313	-15
Financial liabilities (Current and Non-current)		-177	-20
Other liabilities (Current and Non-current)		35	-161
Cash generated from operations			
Income tax refund received / (paid) (net)		-6,040	14
Net cash flow from operating activities before exceptional items		**18,469**	**1,172**
Exceptional items		0	0
Net cash flow from operating activities	**[A]**	**18,469**	**1,172**
Cash flow from investing activities			
Payments for acquisition of assets		-282	-805
Investments(Current and Non-current)		-16,679	-11
Investment in bank deposits		-468	-106
Dividend Receiced		45	0
Interest received		344	15
Net cash flow used in investing activities	**[B]**	**-17,040**	**-906**
Cash flow from financing activities			
Changes in long term borrowings		-297	140
Changes in short term borrowings		-566	
Interest paid - Net		-307	-427
Net cash flow from financing activities	**[C]**	**-1,170**	**-287**
Net cash inflow / (outflow)	**D = [A+B+C]**	**260**	**-21**
Opening cash and cash equivalents	**[E]**	**23**	**44**
Closing cash and cash equivalents	**F= [D+E]**	**283**	**23**

This is the Balance Sheet referred to in our report of even date.
For KAMG & ASSOCIATES
Chartered Accountants
Firm's Registration Number 311027E

For and on behalf of the Board of Directors of
Anglo French Drugs & Industries Limited

CA Swetha Srinivasan
Partner
M.No.240553
UDIN: 23240553BGZBUL9003
Date:09th May 2023
Place: Bengaluru
Initialed for identification

N.Ahmedali
Director
DIN : 00704341

Abhay Kanoria
Chairman & MD
DIN : 00108894

Harshwardhan Murarka
Chief Financial Officer

Sriee Aneetha M
Company Secretary

ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED
CIN: L24230KA1923PLC010205
Registered Office: 41, 3rd CROSS, SSI AREA, V BLOCK, RAJAJINAGAR, BANGALORE - 560 010

Statement of Changes in Equity for the year ended March 31, 2023

A. Equity Share Capital

(Rs. In Lakhs)

Balance at the beginning of April 1, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year 2022-23	Balance at the end of March 31, 2023
129	-	129	-	129

Rs. Lakhs

Balance at the beginning of April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year 2021-22	Balance at the end of March 31, 2022
129	-	129	-	129

B. Other Equity

	Reserves and surplus				Other Comprehensive income	Total
	Capital Reserve	Securities premium reserve	General Reserve	Retained earnings (Surplus)		
Balance as at March 31, 2021	**43**	**289**	**549**	**594**	**(2)**	**1,473**
Restated Balance at April 1, 2021	43	289	549	594	(2)	1,473
Profit for the year				145		145
Other comprehensive income/(losses) for the year, net of tax				94	3	97
Total comprehensive income for the year	**-**	**-**	**-**	**239**	**3**	**242**
Balance as at March 31, 2022	**43**	**289**	**549**	**833**	**1**	**1,715**
Restated Balance at April 1, 2022	43	289	549	833	1	1,715
Profit for the year				19,094		19,094
Other comprehensive income/(losses) for the year, net of tax				(67)	5	(62)
Changes due to retained earnings from subsidiary (WOS) & Proposed Dividend				8		8
Total comprehensive income for the year	**-**	**-**	**-**	**19,035**	**5**	**19,040**
Balance as at March 31, 2023	**43**	**289**	**549**	**19,868**	**6**	**20,755**

This is the Statement of Changes in Equity referred to in our report of even date.
For KAMG & ASSOCIATES
Chartered Accountants
Firm's Registration Number 311027E

For and on behalf of the Board of directors of
Anglo French Drugs & Industries Limited

CA Swetha Srinivasan
Partner
M.No.240553
UDIN: 23240553BGZBUL9003
Date:09th May 2023
Place: Bengaluru

Abhay Kanoria
Chairman & MD
DIN : 00704341

N.Ahmedali
Director
DIN : 00108894

Harshwardhan Murarka
Chief Financial Officer

Sriee Aneetha M
Company Secretary

NOTES TO ACCOUNTS

1. General Information

Anglo French Drugs & Industries Limited ("the company") is a company limited by shares, incorporated and domiciled in India having its Registered Office at Bengaluru. The company is primarily engaged in manufacturing of pharmaceutical formulations. As per letter no MSE/LIST/2018/18 dated January 1, 2018 issued by the Metropolitan Stock Exchange, Equity shares of the Company are listed and admitted to dealings on the Exchange w.e.f. January 4, 2018 vide notice number MSE/LIST/5903/2018 dated January 1, 2018.

The Board of Directors approved the financial statements for the year ended March 31, 2023 and authorised for issue on 9th May 2023

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these separate financial statements of the company. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 Basis of Preparation and Presentation

(i) Compliance with Ind AS
The Standalone Financial Statements of the Company which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2023, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements") have been prepared in accordance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, the provisions of the Companies Act, 2013 ("the Act") to the extent notified, guidelines issued by the Securities and Exchange Board of India (SEBI) and other accounting principles generally accepted in India. These financials have been prepared on the assumption of going concern on accrual basis.

(ii) Historical cost convention
The financial statements have been prepared on a historical cost basis, except for the following:
– equity investments in entities other than subsidiary, joint ventures and associate which are measured at fair value;
– Certain financial assets and liabilities that are measured at fair value;
– defined benefit plans – plan assets measured at fair value.

(iii) Use of estimates
In preparing the financial statements in conformity with generally accepted accounting principles, management is required to make judgements, estimates and assumptions that may affect the reported amounts of assets and liabilities and the disclosure of contingent assets & liabilities as at the date of consolidated financial statements and the amounts of revenue and expenses during the reported period. The estimates and assumptions used in the accompanying consolidated financial statements are based upon management's evaluation of facts and circumstances as at the date of the consolidated financial statement. Actual results could differ from those estimates. Estimates and underlying assumption are reviewed on an ongoing basis. Any revision to such estimates is recognised in the period the same is determined.

2.2 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses, if any. Historical Cost represents direct expenses incurred on acquisition of the assets and the share of indirect expenses relating to acquisition allocated in proportion to the direct cost involved. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

Transition to IND AS
On transition to IND AS, the company had elected to continue with the carrying value of all property plant and equipment recognized as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property plant and equipment.

Depreciation methods, estimated useful lives and residual value
Depreciation on property, plant and equipment is provided on 'Straight Line Method' based on useful life as prescribed under Schedule II of the Companies Act 2013. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Derecognition
The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

2.3 **INTANGIBLE ASSETS**

Measurement at recognition:
Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their actual useful lives or up to 6 years whichever is lower. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

The cost of an intangible asset comprises of its purchase price including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities) and any directly attributable expenditure on making the asset ready for its intended use. Expenditure on development eligible for capitalisation are carried as 'intangible assets under development' when such assets are not yet ready for the intended use.

Subsequent Expenditure:
Subsequent Expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the group.

Derecognition:
The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

2.4 **FINANCIAL INSTRUMENTS**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) FINANCIAL ASSETS:
(A) Classification:
The group shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(B) Initial recognition and measurement:
A financial asset is classified as measured at

— Amortised Cost;
— FVOCI — debt instruments;
— FVOCI - equity investment; or — FVTPL

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at FVTPL, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the group commits to purchase or sell the asset.

Debt instruments:
A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

Debt instruments included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the statement of profit and loss.

(C) Derecognition:
A financial asset (or, where applicable, a part of a financial asset or part of similar financial assets) is primarily derecognised (i.e. removed from the group's balance sheet) when the rights to receive cash flows from the asset have expired, or the group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates' if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the group's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

(D) Impairment:
In accordance with Ind-AS 109, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:
(a) Financial assets that are debt investments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance, Lease receivables
(b) Trade receivables
The group follows 'simplified approach' for recognition of impairment loss allowance on:
Trade receivables which do not contain a significant financing component.

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.
For trade receivables only, the group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(ii) FINANCIAL LIABILITIES:
(A) Classification:
The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(B) Initial recognition and measurement:
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

(C) Derecognition:
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iii) OFFSETTING FINANCIAL INSTRUMENT:
Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

(iv) INCOME RECOGNITION:
Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

2.5 CASH AND CASH EQUIVALENTS

Cash and Cash equivalents for the purpose of consolidated Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments. To be classified as cash and cash equivalents, the financial asset must:
- be readily convertible into cash;
- have an insignificant risk of changes in value; and
- have a maturity period of three months or less at acquisition.

Bank overdrafts are repayable on demand and form an integral part of an entity's cash management, and are included as a component of cash and cash equivalents. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.6 REVENUE RECOGNITION

(A) Sale of goods

The Group has applied Ind AS 115 using the modified retrospective approach (cumulative catch up method) and therefore the comparative information has not been restated and continues to be reported under erstwhile Ind AS 18 and Ind AS 11. The new Standard is applied to those contracts which remained in force as at 1st April, 2018. The application of the standard does not have any significant impact on the retained earnings as at 1st April, 2018 or on these financial statements. The details of accounting policies under erstwhile Ind AS 18 and Ind AS 11 are disclosed separately, if they are different from those under Ind AS 115.

Revenue is measured at the transaction price of the consideration received or receivable duly adjusted for variable consideration & customer's right to return the goods and the same represents amounts receivable for goods and services provided in the normal course of business. Revenue also excludes taxes collected from customers. Any retrospective revision in prices is accounted for in the year of such revision.

Revenue is recognised at a point in time on accrual basis as per the terms of the contract, when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

When sales discount and rebate arrangements result in variable consideration, appropriate estimates are made and estimated variable consideration is recognised as a deduction from revenue at the point of sale (to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue will not be required). The group typically uses the expected value method for estimating variable consideration, reflecting that such contracts have similar characteristics and a range of possible outcomes.

The contract asset or a contract liability is recognised when either party to a contract has performed, depending on the relationship between the entity's performance and the customer's payment. When the group has a present unconditional rights to consideration, it is recognised separately as a receivable.

(B) Export Incentive

Duty drawback is recognized at the time of exports and the benefits in respect of advance license received by the group against export made by it are recognized as and when goods are imported against them.

(C) Interest Income

Revenue from interest is recognised on accrual basis and determined by contractual rate of interest.

(D) Dividend Income

Dividend income is stated at gross and is recognized when right to receive payment is established.

(E) Brand Sale

The company has sold some of its products brand along with its entire inventory related to that brand together called as "Transferred Assets" during the financial year 2022-23 at an agreed price of Rs. 30,868 Lakhs payable in the following manner:

i. On the Closing Date (on or before April 5, 2022) the purchaser shall pay Rs. 27,868 lakhs as initial purchase price to the Sellers Bank Accounts.

ii. Within five days from the closing date, the purchaser shall remit the Escrow Account of Rs. 2,500 Lakhs to the Escrow Account.

iii. On the Second Closing Date, the purchaser shall pay an amount of Rs. 500 Lakhs on satisfaction of the second Tranche condition.

The Company has recognised Rs.29,468 lakhs in quarter 1 of FY 22-23 and Rs.500 lakhs in quarter 2 of FY 22-23 on fulfilment of the condition for the said payment. No further revenue is required to be recognised for this transaction.

2.7 EMPLOYEE BENEFITS

The group has various schemes of retirement benefits such as Provident Fund, Superannuation Fund and Gratuity Fund duly recognized.

(i) Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

The employees of the group are entitled to leave benefits as per the policy of the group. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in other comprehensive income.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(ii) Post-employment obligations
The group operates the following post-employment schemes:

Gratuity obligations –
Maintained as a defined benefit retirement plan and contribution is made to Gratuity Fund established as Trust maintained by the group. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Provident Fund –
The group pays provident fund contributions to a fund administered by Government Provident Fund Authority. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Superannuation Fund -
With respect to Superannuation Fund, which is maintained for few employees is contributed Life Insurance Corporation of India under LIC Superannuation Policy

2.8 LEASES

Transition to Ind AS 116
Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated

comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

(i) FOREIGN CURRENCY TRANSLATION

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The group has adopted amendments prospectively to items in scope of the appendix that are initially recognised on or after the beginning of the reporting period in which the appendix is first applied (i.e. from 1st April, 2018).

(i) Presentation Currency

These consolidated financial statements are presented in INR which is the Functional Currency of the group.

(ii) Transactions and balances

The foreign currency balances receivable/payable as at the year end are converted at the closing rate and exchange difference has been recognized in the statement of Profit and Loss. The group classifies all its foreign operations as integral in nature.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of other financial instruments are recognised in other comprehensive income.

2.9 TAXES ON INCOME

Current income tax is recognized based on the amount expected to be paid to the tax authorities, using tax rates and tax laws that have been enacted or substantially enacted on the date of balance sheet.

Deferred income tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

If the Group has carry forward unabsorbed depreciation and tax losses, all deferred tax assets are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax assets can be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.10 EARNINGS PER SHARE

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed using the weighted average number of shares and dilutive equity equivalent shares outstanding during the period, except when results will be anti-dilutive.

2.11 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognised if, as a result of a past event, the group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed, unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.12 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

2.13 RESEARCH & DEVELOPMENT

Development of expenditure of certain nature is capitalised when the criteria for recognising an intangible asset are met. The revenue expenditure on Research & Development is written off in the year in which it is accrued.

2.14 INVENTORIES

Inventories are valued at the lower of cost (Weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads.

2.15 GOVERNMENT INCENTIVES

Government incentives that the group is entitled to on fulfilment of certain conditions, but are available to the group only on completion of some other conditions, are recognized as income at fair value on completion of such other conditions

Incentives that the group is entitled to unconditionally on fulfilment of certain conditions, such incentives are recognized at fair value as income when there is reasonable assurance that the incentives will be received.

Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2023

2.16 Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework
The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

Ind AS 16 – Proceeds before intended use
The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract
The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

Ind AS 109 – Annual Improvements to Ind AS (2021)
The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

Ind AS 106 – Annual Improvements to Ind AS (2021)
The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

The Company is in the process of evaluating the impact of these amendments.

2.17 Significant estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

The following are the judgements and estimates that the management have made in the process of applying the group`s accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

i) Impairment of trade receivable:
The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

ii) Post-employment benefits:
The costs of providing pensions and other post-employment benefits are charged to the income statement in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include future earnings and pension increases, discount rates, expected long-term rates of return on assets and mortality rates.

iii) Sales returns and rebates:
Revenue is recognised when title and risk of loss is passed to the customer, reliable estimates can be made of relevant and all relevant obligations have been fulfilled, such that the earnings process is regarded as being completed.

Gross turnover is reduced by rebates, discounts, allowances and product returns given or expected to be given, which vary by product arrangements and buying groups. These arrangements with purchasing organisations are dependent upon the submission of claims some time after the initial recognition of the sale.

Because the amounts are estimated they may not fully reflect the final outcome, and the amounts are subject to change dependent upon, amongst other things, the types of buying group and product sales mix.

Future events could cause the assumptions on which the accruals are based to change, which could affect the future results of the group.

iv) Assumptions are also made by the management with respect to valuation of inventories, evaluation of recoverability of deferred tax and contingencies.

v) Impact of Covid 19

On the basis of its assessment of the impact of the outbreak of COVID-19 on business operations of the entity, the entity's management may conclude that no adjustments are required in the financial statements as it does not impact the current financial year. However, the situation with COVID-19 is still evolving. Hence, the management's assessment of the impact on the subsequent period is dependent upon the circumstances as they evolve.

vi) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure

vii) Rounding off has been done in the relevant notes wherever applicable.

ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED

Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2023

3 NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

FY 2022-23 Rs. Lakhs

DESCRIPTION	GROSS CARRYING AMOUNT				DEPRECIATION / AMORTISATION				NET CARRYING AMOUNT
	As at 01.04.2022	Additions	Adjustments	Balance As at 31.03.2023	As at 01.04.2022	Charge during the year	Adjustments	Balance As at 31.03.2023	Balance As at 31.03.2023
Freehold land	8			8	-	-	-	-	8
Buildings	805	3	-	808	198	36	-	234	574
Plant & equipment	748	14	11	751	271	49	-	320	431
Furniture & fittings	150	54	-	204	105	15	-	120	84
Vehicles	244	82	29	297	110	46	31	125	172
Office equipment	54	6	-	60	42	4	-	46	14
Computers	276	9	-	285	231	26	-	257	28
Total	2,285	168	40	2,413	957	176	31	1,102	1,311

Previous year (FY 2021-22)

DESCRIPTION	GROSS CARRYING AMOUNT				DEPRECIATION / AMORTISATION				NET CARRYING AMOUNT
	As at 01.04.2021	Additions	Adjustments	Balance As at 31.03.2022	As at 01.04.2021	Charge during the year	Adjustments	Balance As at 31.03.2022	Balance As at 31.03.2022
Freehold land	8	-	-	8	-	-		-	8
Buildings	805	-	-	805	165	33		198	607
Plant & equipment	683	65	-	748	231	48	8	271	477
Furniture & fittings	140	10	-	150	96	9		105	45
Vehicles	170	80	6	244	89	23	2	110	134
Office equipment	38	16	-	54	38	4		42	12
Computers	259	17	-	276	198	33		231	45
Total	2,103	188	6	2,285	817	150	10	957	1,328

4

Right of Use Assets-IND AS 116	FY 2022-23
Right of Use Assets as on 31-3-2022	546
(representing right of use of underlying assets)	
Add: asset created	95
Amortisation Charge	157
Net carrying amount as on 31-3-2023	484

Right of Use Assets-IND AS 116	FY 2021-22
Right of Use Assets as on 31-3-2021	73
(representing right of use of underlying assets)	
Add: asset created	612
Amortisation Charge	139
net carrying amount as on 31-3-2022	546

Note:- 1) There are no quaifying assets and accordingly no borrowing costs are capitalised during the year

2) There were no Capital work-in-progress at the end of the year

3) No revaluation of property, plant and equipment was done during the year as the carrying value is on par with the fair market value as per Management's estimation

4) The Management is of the opinion that there is no impairment of Property, Plant and Equipment, during or as at the end of the year.

ANGLO-FRENCH DRUGS & INDUSTRIES
LIMITED
Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2023

5 NON-CURRENT ASSETS - INTANGIBLE ASSETS

FY 2022-23 DESCRIPTION	GROSS CARRYING AMOUNT				DEPRECIATION / AMORTISATION				NET CARRYING AMOUNT
	As at 01.04.2022	Additions	Adjustments	Balance as at 31.03.2023	As at	Charge during the year	Adjustments	Balance as at 31.03.2023	Balance as at 31.03.2023
Trademarks	-			-	01.04.2022			-	-
Computer software	10	20		30	7	3	-	10	20
Total	10	20	-	30	7	3	-	10	20

Previous year (FY 2021-22) DESCRIPTION	GROSS CARRYING AMOUNT				DEPRECIATION / AMORTISATION				NET CARRYING AMOUNT
	As at 01.04.2021	Additions	Adjustments	Balance as at 31.03.2022	As at	Charge during the year	Adjustments	Balance as at 31.03.2022	Balance as at 31.03.2022
Trademarks	-	-	-	-	01.04.2021	-	-	-	-
Computer software	8	2	-	10	5	1	-1	7	3
Total	8	2	-	10	5	1	-1	7	3

Note:- 1) There were no intangible assets under development during the year
2) The Management is of the opinion that there is no impairment of Intangible assets, during or as at the end of the year.

ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED

Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2023

	DESCRIPTION	As at March 31st, 2023 Rs. Lakhs	As at March 31st, 2022 Rs. Lakhs
6	Non-Current investments		
	A. Investments in equity instruments (fully paid)		
	(i) Quoted -		
	In Other entities (Equity investments at Fair value through other comprehensive income)		
	5,760 (2022- 5,760) Equity shares of INR 10 each in Industrial Development Bank of India Limited	5	5
	19,400 (2022- 19,400) Equity shares of INR 10 each in Vijaya Bank	2	2
	Note-Vijaya Bank has been merged with Bank of Baroda wef 1st Apr 2019		
	Total Investment in equity instruments	7	7
	Investments in Shares- Ind As	9	5
	Investment in Fixed Deposits	7	8
	Total non-current investments	23	20
	Aggregate amount of quoted investments	7	7
	Market value of quoted investments	7	7
7	OTHER FINANCIAL ASSETS - NON CURRENT		
	Security deposits	22	22
	Total Other Financial Assets	22	22
8	Deferred tax assets (Net)		
	- due to depreciation	-	-
	- due to disallowance u/s 43B for unpaid provision for GST and Service tax	-	-
	- due to disallowance for non-deduction of TDS	-	-
	- due to unabsorbed business loss	-	-
	Total	-	-
9	OTHER NON-CURRENT ASSETS		
	Security deposits	-	-
	Deferred rent expense for security deposit assets	-	-
	Other deposits	-	-
	Fixed deposits with bank (with maturity period of more than 12 months)	-	-
	Total other non-current assets	-	-

	Particulars	As at March 31st, 2023 Rs. Lakhs	As at March 31st, 2022 Rs. Lakhs
10	INVENTORIES		
	Raw materials	166	1,163
	Packing materials	123	494
	Work-in-progress	104	104
	Finished goods**	378	1,334
	Stores and spare parts *	132	181
	Total inventories	903	3,276
	Raw materials & Packing materials are valued at weighted Average method , WIP & Finished Goods at Standard Price and stores and spares, chemicals & consumables & others at cost		

11	Current Financial Assets-Trade Receivables		
	Trade receivables		
	(a) Considered good - Secured	-	-
	(b) Considered good - Unsecured	6,079	3,709
	(c) Trade Receivables which have significant increase in credit risk	-	-
	(d) Trade Receivables - credit impaired	-	-
	Less: Loss allowance		
	(a) Fair value loss	87	87
	(b) Credit impaired	78	243
	Total trade receivables (current)	5,914	3,379

Trade Receivables - Ageings-FY 2022-23

i) Undisputed trade receivables

Particulars	As at 31st March 2023		As at 31st March 2022	
	Considered good	Considered doubtful	Considered good	Considered doubtful
Outstanding for following periods from due date of receipts				
Less than 6 months	1,811	-	1,407	-
6 months - 1 year -	2,646	-	92	-
1-2 years	73	-	211	-
2-3 years	7	-	25	-
> 3 years	40	-	30	-
Within credit period	1,337	-	1,510	-

ii) Disputed trade receivables

Particulars	As at 31st March 2023		As at 31st March 2022	
	Considered good	Considered doubtful	Considered good	Considered doubtful
Outstanding for following periods from due date of receipts				
Less than 6 months	-	-	-	-
6 months - 1 year -	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
> 3 years	-	-	104	-
Within credit period	-	-	-	-

The average credit period allowed to customers is in the range of 30 days and interest on overdue receivables is generally levied at 18% per annum as per the terms of the agreement.

Outstanding from Viva Remedies was sub-judice since 16th December, 2014. On 8th March, 2022 both the Company and Accused and their respective Counsels had settlement negotiations before "The court of the XXXIII Additional Chief Metropolitan Magistrate at Bangalore. The Accused has agreed to pay a sum of Rs.50 Lakhs against the total outstanding of Rs.128.52 Lakhs. The Company has already realised Rs. 42.75 lakhs upto 19th January 2023 and the Company has realised balance amount of Rs 7.25 lakhs on 03-02-2023. The Balance outstanding amount of Rs. 78.52 Lakhs is provided as doubtful debts and pending for RBI approval for write off from books of accounts.

The Company does not have history of defaults in trade receivables. Loss allowance is estimated for disputed receivables based on assessment of each case by obtaining legal advice, where considered necessary.

Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2023

	Particulars	As at March 31st, 2023 Rs. Lakhs	As at March 31st, 2022 Rs. Lakhs
12	a. Cash and Cash Equivalents		
	Cash in hand	5	1
	Balances with Banks		
	- Current Accounts	278	22
		283	23
	b. Other Bank Balances		
	- in Deposit account*	631	163
		631	163
	* Represent deposit with original maturity more than 3 months but less than twelve months.		
13	CURRENT FINANCIAL ASSETS - INAVESMENTS		
	Other Investments	16,676	-
		16,676	-
14	CURRENT FINANCIAL ASSETS - OTHERS		
	Employee advances	26	30
	Recoverable from Statutory Authorities	382	63
	Advances to suppliers and others	227	214
	Security Deposits	-	-
	Related Party	-	65
	Security deposits	197	112
		832	484
15	Current Tax Assets (Net)		
	Income Tax (net of provision)		
	Advance Income Tax	6,345	443
	TDS Receivables	69	7
	Refundable Deposit on IT Appeal	-	-
	MAT Credit	-	85
	Less: Provision for Income taxes	(6,405)	(603)
	Total Current Tax assets	9	(68)
16	OTHER CURRENT ASSETS		
	Prepaid expenses	157	194
	Mat Credit	-	85
	Others-Recovery Right Assets	30	43
	Total other current assets	187	322

Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2023

	Particulars	As at March 31st, 2023 Rs. Lakhs	As at March 31st, 2022 Rs. Lakhs
17	EQUITY SHARE CAPITAL		
	Authorised		
	20,00,000 Equity Shares of INR 10 each	200	200
		200	200
	Issued		
	12,91,500 Equity Shares of INR 10 each	129	129
		129	129
	Subscribed and fully paid up		
	12,91,500 Equity Shares of INR 10 each	129	129
		129	129
	Notes:		
	a. Reconciliation of number of Equity shares subscribed		
	Balance as at the beginning of the year	12,91,500	12,91,500
	Balance as at the end of the year	12,91,500	12,91,500

b. Aggregate number and class of shares allotted for consideration other than cash / bonus shares in five years immediately preceding balance sheet date as on 31.03.2023 and aggregate number of shares bought back is Nil (FY 2021-22 - Nil)

c. Rights and preferences attached to equity shares :

The company is having only one class of equity shares carrying a nominal value of INR 10 per share. These shares rank pari passu in all respects including voting rights and entitlement to dividend. Every holder of the equity shares of the Company is entitled to one vote per share held in the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company after the distribution / repayment of all creditors. The distribution to the equity shareholders will be in proportion of the number of shares held by each shareholder.

d. Shareholders holding more than 5% of the total share capital

Name of the Shareholder	As at March 31st, 2023		As at March 31st, 2022	
	No of Equity shares held	% of holding in that class of shares	No of Equity shares held	% of holding in that class of shares
(1) Mr Abhay Kanoria Family Trust represented by Mr. Abhay Kanoria	7,02,205	54.37	7,02,205	54.37
(2) Ninaad Finance And Properties Pvt Ltd	1,29,000	9.99	1,29,000	9.99
(3) Life Insurance Corporation of India	90,000	6.97	90,000	6.97

d. Shareholding of Promoters

Name of the Promoter	As at March 31st, 2023		As at March 31st, 2022	
	No of Equity shares held	% of holding in that class of shares	No of shares held	% of holding in that class of shares
Promoters/Promoters Group				
Abhay Kanoria Family Trust, Represented by Mr.	7,02,205	54	7,02,205	54
Ninaad Finance and Properties Pvt. Ltd.	1,29,000	10	1,29,000	10
Binod Kumar Kanoria (HUF)	200	0	200	0
Prabhadevi Kanoria	3,450	0	3,450	0
Total	8,34,855	65	8,34,855	65

The Board of Directors in its meeting held on 13th June 2022, has recommended dividend of 15% (Rs.1.50/- per equity share of Rs.10/- each) for the year ended 31st March, 2022 and the same was approved by the shareholders at the Annual General Meeting held on 10th August 2022. which resulted in a cash outflow of Rs.19,37,250/-.

The Board of Directors in its meeting held on 9th May 2023 has recommended dividend of 200% (Rs.20/- per equity share of Rs.10/- each) for the year ended 31st March 2023, subject to the approval of shareholders at the ensuing Annual General Meeting to be held on 3rd August 2023.

Wholly-Owned Subsidiary : The wholly owned subsidiary of the Company located in Singapore has ceased to operate during the FY 22-23. The closure procedures have been initiated with the cut-off date as 31-01-2023. All assets and liabilities of the wholly-owned subsidiary as on the cut-off date has been transferred to the Holding Company i.e. Anglo French Drugs & Industries Ltd (India). Hence, consolidated financials statements has not been prepared as on 31-03-2023

	Particulars	As at March 31st, 2023 Rs. Lakhs	As at March 31st, 2022 Rs. Lakhs
18	OTHER EQUITY		
	(a) RESERVES AND SURPLUS		
	CAPITAL RESERVE	43	43
	SECURITIES PREMIUM RESERVE	289	289
	GENERAL RESERVE	549	549
	SURPLUS/(DEFICIT) IN STATEMENT OF PROFIT AND LOSS	19,868	833
		20,749	1,714
	(b) OTHER RESERVES		
	Fair Value through Other Comprehensive Income- Equity Instrument	6	1
	Total other equity	20,755	1,715
	(a) RESERVE AND SURPLUS		
	(i) CAPITAL RESERVE		
	Opening Balance	43	43
	Closing Balance	43	43
	(ii) SECURITIES PREMIUM RESERVE		
	Opening Balance	289	289
	Closing Balance		
	(iii) GENERAL RESERVE		
	Opening Balance	549	549
	Closing Balance		
	(iv) SURPLUS/ (DEFICIT) IN STATEMENT OF PROFIT AND LOSS		
	Opening Balance	4	594
	EFFECT OF IND AS	23	
	Retained earnings from Singapore	-19	
	Less: Proposed Dividend	19,094	
	Add: Profit /(Loss) during the year as per Statement of Profit & Loss		145
	Other comprehensive income recognised directly in retained earnings	-67	
	- Remeasurements of post-employment benefit obligation, net of tax	19,868	833
	(b) OTHER RESERVE		
	OTHER COMPREHENSIVE INCOME		
	Opening Balance	1	-2
	Adjustments during the year		
	- Remeasurements of quoted equity shares	5	3
	Closing Balance	6	1

Analysis of Accumulated OCI

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the year	1	-2
Remeasurements of post employment benefit obligations, gain/(loss)		-
Income tax effect		-
Due to change in the rate of tax on opening balance		-
Remeasurements of quoted equity shares	5	3
Balance at the end of the year	6	1

(i) Capital Reserve

Capital Reserve represents the statutory reserve created by the group as per requirement of the Act. This on acocunt of the various transactions like debenture forfeiture, capital receipts and capital subsidary received from the Government during

(ii) Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

(iii) General Reserve

General Reserve represents the statutory reserve, this is in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the group.

(iv) Retained earnings :

Retained earnings comprise balances of accumulated (undistributed) profit and loss at each year end and balances of remeasurement of net defined benefit plans, less any transfers to general reserve.

NON CURRENT FINANCIAL LIABILITIES

19 NON-CURRENT BORROWINGS

Rs. Lakhs

Particulars	As at March 31st, 2023	As at March 31, 2022
Secured loan		
From Banks	981	1,286
Inter Corporate Deposit	715	707
Unsecured loan	-	-
Total	1,696	1,993

PARTICULARS OF BORROWINGS :

a) Security

(i) The security charge for the loan from Yes Bank is as follows:- a) By way of hypothecation on current assets (CA)
b) By way of hypothecation on all movable fixed assets (MFA)
c) By way of equitable mortgage on specific building (Factory Land and Building) located at Peenya Industrial Area Building valuing INR 126.15 crores.

(ii) Vehicle loans are secured by hypothecation of vehicles.

b) Terms of repayment and Interest rate :

(i) In respect of Vehicle loans repayments are done by equated monthly installments over 36 to 60 months.
(ii) The company has taken vehicle loan from Kotak Mahindra Prime Limited during the year which carry interest at the rate of 7.05% & 7.50%, repayable in 60 equal installments. Repayment of the term loan will be completed in Oct 2026 & Dec 2026 .

(iii) Loan from (LAP) HDFC Bank is secured at first ranking and exclusively charged by way of equitable mortgage on residential property of Sudarshan Services limited & carries interest at the rate of 9.75%, repayable in 91 equal monthly installments. Repayment will be completed in Mar 2029
(iv) Inter Corporate Deposits generally carry interest at the rate between 8.5% to 12.25%. These deposits are repayable on mutually agreed dates

20 Other non-current financial liabilities

Particulars	As at March 31st, 2023	As at March 31, 2022
Security deposits	110	311
Total	110	311

21 Deferred tax liabilities (net)

Particulars	As at March 31st, 2023	As at March 31, 2022
Deferred Tax Liabilities on account of :		
Depreciation	139	151
Total deferred tax liabilities (A)	139	151
Deferred Tax Assets on account of :		
Provision for Bonus	(14)	(20)
Provision for Leave encashment and gratuity	(38)	(17)
Provision for debts, advances and investments	(3)	(24)
Fair valuation of security deposit-Assets		
MAT Credit entitlement	-	(69)
Unabsorbed depreciation and carried forward business loss		
Less: Deferred Tax Assets not recognised		
Total deferred tax assets (B)	(55)	(130)
Deferred Tax (Assets)/Liabilities (Net - A-B)	84	21

22 Other Non Current Liabilities

Particulars	As at March 31st, 2023	As at March 31, 2022
Deferred Lease Liabilities	570	604
Total	570	604

Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2023

23

Employee benefit obligations (Rupees in lakhs)

	As at March 31, 2023			As at March 31, 2022		
	Current	Non-current	Total	Current	Non-current	Total
Leave Encashment - Unfunded						
Present value of obligation	11	44	55	13	52	65
Gratuity - Funded						
Present value of obligation	222	77	299	264	-	264
Fair value of plan assets	184	-	184	239	-	239
Net Liability	38	77	116	24	-	24
Gratuity Liability	38	77	116	24	-	24
Total employee benefit obligations	49	121	171	37	52	89

(i)Defined benefit plans

a) Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Gratuity plan is a funded plan and the Company makes contributions to Kotak Gratuity Group Plan (UNI-107L010V05).

b) Leave Encashment

(ii) Defined contribution plans

The Company makes contributions towards provident fund which are in the nature of defined contribution post employment benefits plans. Under the plan, the Company is required to contribute a specified percentage of payroll cost to fund the benefits.

(iii) Movement of defined benefit obligation and fair value of plan assets :

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Gratuity			Leave Encashment
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
April 1, 2021	441	247	194	86
Current service cost	21	-	21	7
Prior Service cost				
Interest expense/(income)	24	18	6	5
Total amount recognised in profit or loss	45	18	28	12
Remeasurements				
Loss due to experience	(99)	-	(99)	1
Loss due to change in financial assumptions	(6)	-	(6)	-
Return on plan assets (greater)/less than discount rate	11	-	11	-
Total amount recognised in other comprehensive income	(94)	-	(94)	1
Employer contributions	-	-		-
Benefit payments	-	-		20
March 31, 2022	392	265	128	79
April 1, 2022	392	265	128	79
Current service cost	22	-	22	11
Prior Service cost				
Interest expense/(income)	18	16	2	-
Total amount recognised in profit or loss	40	16	24	11
Remeasurements				
Loss/(Gain) due to experience	60	-	60	-
Loss due to change in financial assumptions	(4)	-	(4)	-
Return on plan assets (greater)/less than discount rate	12	-	12	-
Total amount recognised in other comprehensive income	67	-	67	-
Employer contributions	-	-	-	-
Benefit payments	-	-	-	20
March 31, 2023	500	281	218	71

The net liability disclosed above relates to funded and unfunded plan are as follows:

Particulars	March 31, 2023	March 31, 2022
Present value of funded obligations	299	264
Fair value of plan assets	184	239
Deficit of funded plan	116	24
Unfunded plans	0	0
Deficit of Employee Benefit Plans	116	24

(iv) Post-Employment benefits

The significant actuarial assumptions were as follows:

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.69%	7.43%
Salary growth rate	5.00%	5.00%
Expected return on assets	7.69%	7.69%
Mortality	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Withdrawal / attrition rate	5.00%	5.00%

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumption		Impact on defined benefit obligation			
			Increase by 1%(100bps)		Decrease by 1%(100bps)	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Gratuity						
Discount rate	1%	1%	(16)	(17)	18	19
Salary growth rate	1%	1%	16	17	(15)	(16)
Withdrawal rate	1%	1%	3	3	(3)	(3)
Leave Encashment						
Discount rate	1%	1%	4	5	(4)	(5)
Salary growth rate	1%	1%	4	5	(3)	(4)
Withdrawal rate	1%	1%	0	1	(1)	(1)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method i.e. projected unit credit method has been applied as that used for calculating the defined benefit liability recognised in the balance sheet.

(vi) The major categories of plan assets are as follows:

Particulars	March 31, 2023		March 31, 2022	
	Amount in lakhs	in %	Amount in lakhs	in %
Investment funds with Kotak Gratuity Group Plan (UNI-107L010V05)	184	100%	239	100%
Total	184	100%	239	100%

The Company pays contribution to Kotak Gratuity Group Plan (UNI-107L010V05) which inturn invests the amount in various instruments. As it is done by Kotak Gratuity Group Plan (UNI-107L010V05) in totality basis along with contributions from other participants, the Company wise investment in planned assets - category / class wise is not available.

(vii) Risk exposure

The defined benefit obligations have the undermentioned risk exposures :

Interest rate risk : The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

(viii) Defined benefit liability and employer contributions

Expected contribution to post employment benefit plan for the year ending March 31, 2023 is 38 lakhs (Year ended 31.03.22 Rs.24 lakhs)

The weighted avarage duration of the defined benefit obligation is 11.31 years (March 31, 2022 - 11.23 years) in case of Gratuity and 11.31years (March 31, 2022 - 11.23 years) in case of Leave encashment in all the three years. The expected maturity analysis of undiscounted gratuity and leave encashment is as follows :

Particulars	Less than a year	Between 1 - 2 years	Between 2 - 3 years	Between 3 - 4 years	Between 4 - 5 years	Beyond 5 years	Total
March 31, 2023							
Gratuity	26	26	18	22	14	78	184
Leave encashment	4	4	3	3	3	12	29
Total	30	30	21	25	17	90	213
March 31, 2022							
Gratuity	23	25	28	26	39	95	236
Leave encashment	5	4	5	5	5	24	48
Total	28	29	33	31	44	119	284

ANGLO FRENCH DRUGS & INDUSTRIES LTD

Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2023

(Rupees in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
24 CURRENT BORROWINGS		
SECURED		
Cash Credit from Banks		
HDFC Bank	-0	484
YES Bank	910	659
Short term loan from others		
Working Capital Loan from		
National Small Industries Corporation Ltd [NSICL]	-	333
Total Current borrowing	910	1,476

Reconciliation of the borrowings outstanding at the beginning and end of the year:

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
I. Non-current borrowings (including current maturities)		
Balance as at the beginning of the year	1,993	1,647
Cash flows (repayment) (net)	(297)	345
Balance as at the end of the year	1,696	1,993
II. Current borrowings		
Balance as at the beginning of the year	1,476	2,324
Cash flows proceeds (net)	(566)	(848)
Balance as at the end of the year	910	1,476

PARTICULARS OF BORROWINGS :

a) Security

(i) Cash credit facilities are secured by way of hypothecation of all stock of inventories, book debts and other current assets of the company, both present and future. The Company has charge on land, building and Plant & Machinery for the cash credit facility availed from Yes Bank.

b) Terms of repayment and Interest rate :

(i) Cash Credit from YES Bank carry interest at the rate of 9.25% Upto 30.03.2023 and 9.5% from 31st March 2023 onwards.

(ii) Inter Corporate Deposits generally carry interest at the rate between 8.5% to 12.25%. These deposits are repayable on mutually agreed dates.

	Particulars	As at March 31, 2023	As at March 31, 2022
25	TRADE PAYABLES		
	Trade payables *	1,917	2,231
	Trade payables to related parties		
	Total trade payables	1,917	2,231
	Classification as required by MSME Act		
	Total outstanding dues of Micro Enterprises and Small Enterprises*	110	54
	Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,807	2,177
	Total trade payables	1,917	2,231
	* Details of dues to Micro Enterprises and Small Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 (MSME Act) are based on information made available to the Company. The company has not provided interest for the dues outstanding for the specified period of few parties since such cases		

Trade Payable ageing schedule as at March 31, 2023

i) Undisputed trade payables

Particulars	As at 31st March 2023		As at 31st March 2022	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment				
Less than 1 year	-	250	-	630
1-2 years	-	6	-	4
2-3 years	-	-	-	-
> 3 years	-	-	-	-
Not Due	110	1,552	54	1,545
Unbilled	-	-	-	-
Total	110	1,807	54	2,178

i) Disputed trade payables

Particulars	As at 31st March 2023		As at 31st March 2022	
	MSME	Others	MSME	Others
Outstanding for following periods from due date of payment Less than 1 year 1-2 years 2-3 years > 3 years Not Due Unbilled Total	NIL		NIL	

Disclosure relating to micro and small enterprises

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Current	Non Current	Current	Non Current
(1) Principal amount outstanding	110	-	54	-
(2) Principal amount due and remaining unpaid	-	-	-	-
(3) Interest due on (2) above and the unpaid interest	-	-	-	-
(4) Interest paid on all delayed payments under the MSMED Act.	-	-	-	-
(5) Payment made beyond the appointed day during the year	-	-	-	-
(6) Interest due and payable for the period of delay other than (4) above	-	-	-	-
(7) Interest accrued and remaining unpaid	-	-	-	-
(8) Amount of further interest remaining due and payable in succeeding years	-	-	-	-

Notes to Accounts -- Contd.

	Particulars	As at March 31st, 2023 Rs. Lakhs	As at March 31st, 2022 Rs. Lakhs
26	OTHER FINANCIAL LIABILITIES		
	Current maturities of long term debt		
	Current maturities of car loan	30	38
	Unclaimed dividend	1	1
	Security deposits	13	13
	Liability for capital expenditure	95	104
	Statutory and other dues	233	24
	Liabilities related to employees	200	363
	Others-Refund Liability	60	86
	Other payables	321	300
	Total current financial liabilities	953	929
27	SHORT TERM PROVISIONS		
	Deferred Lease Liability IND AS 116	-	-
	Employee Benefit Obligations (Gratuity & LE)	49	38
	Total other current liabilities	49	38

The Indian Parliament has approved the Code on Social Security, 2020 ('Code') which may likely impact the contributions made by the Company towards Provident Fund and Gratuity. The Company will assess the impact and its evaluation once the corresponding rules are notified and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are notified.

28	REVENUE FROM OPERATIONS	For the period ended March 31st, 2023	For the year ended March 31st, 2022
	a) Sale of products		
	Pharmaceutical	10,232	16,462
	b) Other operating revenues		
	Sale of scrap	5	9
	Excise duty recovered on operating income	-	-7
	Conversion charges/income from job work	10	10
	Commission received	4	7
	Total Revenue from Operations	10,251	16,480

29	OTHER INCOME		
	Interest from Banks	8	6
	Interest on others	336	9
	Dividend income	45	-
	Provisions/ Liabilities written back	24	33
	Insurance claim local	0	6
	Miscellaneous income -non operating	7	5
	DEPB Transfer/Duty Drawback	6	9
	Profit on sale of Investments (net)	305	-
	Exchange Rate (Loss)/ Gain	28	15
	Total Other Income	759	81

30	Cost Of Materials Consumed		
	a) Raw Material Consumed		
	Opening Stock	1,163	1,470
	Purchases	1,182	2,361
	Freight & Carriage Inward		-
		2,345	3,831
	Less : Sales	-	111
	Less : Closing Stock	167	1,163
	Raw Material Consumed	2,178	2,557
	b) Packing Material Consumed		
	Opening Stock	494	389
	Purchases	326	947
		820	1,335
	Less: Sales	-	-
	Less : Closing Stock	123	494
	Packing Material Consumed	697	841
	Total Cost of material consumed		

31	Purchases		
	Total Cost of Goods	7,727	7,911
	Less:Opening Stock	1,438	1,258
	Less: Consumption of Materials	2,875	3,399
	Add: Closing Stock	482	1,438
	Total Purchases	3,896	4,692

32	Changes in inventories of Finished Goods, Work in Progress and Stock in Trade		
	Opening Inventories of :		
	Finished Goods	1,334	1,145
	Work in Progress	104	113
		1,438	1,258
	Closing Inventories of :		
	Finished Goods	378	1,334
	Work in Progress	104	104
		482	1,438
	Total changes in inventories of finished goods, work in progress and stock-in-trade		

Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2023

		For the period ended March 31st, 2023	For the year ended March 31st, 2022
33	EMPLOYEE BENEFITS EXPENSE		
	Salaries & wages	2,093	2,569
	Contribution to provident and other Funds	144	180
	Staff welfare expenses	92	148
	Total employee benefits expense	2,329	2,897

34	FINANCE COSTS		
	Interest Expense		
	on borrowing from banks and others	245	364
	IND AS 116 - Finance Cost	62	63
	Bank Charges	-	-
	Other Borrowing Costs		
	loan processing charges	-	-
	Total finance costs	307	427

35	DEPRECIATION AND AMORTIZATION EXPENSES		
	PROPERTY, PLANT AND EQUIPMENT-DEPRECIATION		
	Freehold land	-	-
	Buildings	36	33
	Plant & equipment	49	48
	Furniture & fittings	15	9
	Vehicles	46	23
	Office equipment	4	4
	Computers	26	33
	INTANGIBLE ASSETS - AMORTISATION		
	Trademarks	-	-
	Computer software	3	1
	INTANGIBLE ASSETS - IND AS 116	156	139
	Total	334	290

Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2023

36	OTHER EXPENSES	For the period ended March 31st, 2023	For the year ended March 31st, 2022
	(a) Operating, administrative & other expenses		
	Consumptiom of stores and spares	31	34
	Rent	44	39
	Rates & taxes	24	25
	GST/Sales tax	56	43
	Repairs & maintenance		
	Building	3	8
	Plant & machinery	70	84
	Others Insurance	138	53
	charges Electricity &	18	14
	water Factory power	32	30
	& fuel	106	112
	Job-work charges- manufacturing service charges	74	84
	Tour & travelling expenses	577	1,181
	Vehicle running & maintenance	71	68
	Conveyance expenses	4	6
	Legal & professional fee	203	156
	Membership fee & subscription	46	48
	Office & general expenses	131	173
	Postage and telegram	4	6
	Bank Charges	15	38
	Printing & stationary	32	345
	Charity & donations	46	-
	Foreign exchange rate fluctuation on expenses	-	-
	Security expenses	39	43
	Telephone & telex charges	27	39
	Laboratory expenses	42	37
	Research & development	0	-
	Investment Expenses	65	-
	Directors fee	9	5
	Trade marks	10	16
	Loss on sale of assets	4	0
	Auditors remuneration [refer note 36(a)]	7	7
	(b) Selling & distribution expenses		
	Selling expenses	38	36
	Advertisement & publicity	3	0
	Business promotion expenses	326	1,131
	Bad debt written off	10	45
	Provision for doubtful debts	-	40
	Clearing, forwarding & freight	73	190
	Rebates & discount allowed	1,827	345
	Insurance expenses- goods-in-transit	2	6
	Handling expenses	2	2
	Clearing & forwarding agents commission	123	367
	Total other expenses	4,332	4,856

36(a)	Details of Auditors' remuneration		
	Audit fee	3	3
	Tax audit fee	1	1
	For other services such as certification	3	3
	Total Auditor's Remuneration	7	7

37	EXCEPTIONAL ITEMS		
	Profit on sale of Trade Marks (net)	29,968	-
	Less: Related expenses	841	-
	Net exceptional items	29,127	-

ANGLO FRENCH DRUGS & INDUSTRIES LTD

Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2023

(Rupees in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
38 TAX EXPENSE		
(a) Current tax		
Tax on profits for the year	5950	54
Adjustments for prior periods	0	0
Total current tax expense	5950	54
(b) Deferred tax		
Decrease (increase) in deferred tax assets		-18
(Decrease) increase in deferred tax liabilities	63	
	63	-18
Less : Recognised in OCI		0
Total deferred tax expense/(benefit)	63	-18
Total tax expense		
Income tax adjustments (since income tax payable under MAT - u/s 115JB)	25110	220
Tax payable under MAT - u/s 115JB	4389	38
Income tax expense as per Income Tax	6014	36

39 Earnings per Share

	Particulars	March 31, 2023	March 31, 2022
a	Basic earnings per share	1,478	12
b	Diluted earnings per share	1,478	12

	Particulars	March 31, 2023	March 31, 2022
c	Reconciliations of earnings used in calculating per share		
	Profit attributable to the equity holders of the company used in calculating basic earnings per share	19,094	145
	Profit attributable to the equity holders of the company used in calculating diluted earnings per share	19,094	145

	Particulars	March 31, 2023	March 31, 2022
d	Weighted average number of shares used as the denominator		
	Weighted average number of equity shares used as the denominator in calculating basic earnings per share	12,91,500	12,91,500
	Adjustments for calculation of diluted earnings per share:		
	Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share.	12,91,500	12,91,500

40 FAIR VALUE MEASUREMENTS

Financial instruments by category

Particulars	As at 31st March 2023		As at 31st March 2022	
	FVOCI	Amortised cost	FVOCI	Amortised cost
Financial assets				
Investments				
-Equity Investments	7		7	
-Subsidiaries				
Fixed Deposits		631		163
Trade Receivables		5,914		3,379
Cash and cash equivalents		283		23
Other Bank Balances		-		-
Security deposits		197		112
TOTAL FINANCIAL ASSETS	7	7,024	7	3,677
Financial Liabilities				
Borrowings		2,903		3,469
Security Deposits		110		311
Trade payables		1,917		2,231
Capital creditors		-		-
Unclaimed Dividend		-		-
Others				
TOTAL FINANCIAL LIABILITIES	-	4,930	-	6,012

(i) Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	As at 31st March 2023 Level 1	As at 31st March 2022 Level 1
Financial Assets at FVOCI		
Investment in equity shares		
Industrial Development Bank of India Limited	3	2
Vijaya Bank	-	6
Bank of Baroda	13	-
Total Financial Assets at FVOCI	16	8

(ii) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, security deposits included in level 3.

(iii) Assets and liabilities which are measured at amortised cost for which fair values are disclosed

All the financial asset and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

(iv) Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

41 Financial risk management

The Company's activities expose it to market risk (i.e., currency risk, interest rate risk and market price risk), liquidity risk and credit risk. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk :

The company's risk management is carried out by a treasury department under policies approved by the Board of Directors, Company Treasury identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments and investment of excess liquidity.

(A) Market risk

(i) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the respective companies' functional currency.

The exposure of the Company to foreign currency risk is not significant. The position of foreign currency exposure to the Company as at the end of the year expressed in INR are as follows :

(Rs in lakhs)

Currency	Receivables	Payables
March 31, 2023		
US Dollar (USD)	8	-
Net exposure to foreign currency risk		
March 31, 2022		
US Dollar (USD)	4	-
Net exposure to foreign currency risk	4	-

(ii) Interest rate risk

The exposure of the company's borrowing to interest rate changes at the end of the reporting period depends on the mix of fixed rate and floating rate of the borrowings and the expected movement of market interest rate. The status of borrowings in terms of fixed rate and floating rate are as follows:

Particulars	March 31, 2023	March 31, 2022
Variable Rate borrowings	934	1,143
Fixed Rate borrowings	1,672	2,364
Total borrowings	2,606	3,507

(iii) Price risk

The company's exposure to equity securities price risk arises from investments held by the company in equity securities and classified in the balance sheet as at fair value through profit or loss. However, company does not have a practice of investing in market equity securities with a view to earn fair value changes gain. As per the company policies, whenever any investment is made by the company in equity securities, the same is made either with some strategic objective or as a part of contractual arrangement. Further, at the reporting date company does not hold material value of quoted securities. Accordingly, company is not exposed to significant market price risk.

(A) Credit risk

Credit risk arises when a counter party defaults on contractual obligations resulting in financial loss to the company.
Trade receivables consist of large number of customers, spread across diverse industries and geographical areas. In order to mitigate the risk of financial loss from defaulters, the Company has an ongoing credit evaluation process in respect of customers who are allowed credit period. In respect of walk-in customers the company does not allow any credit period and therefore, is not exposed to any credit risk.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30-120 days past due on case to case basis.

(ii) Reconciliation of loss allowance provision – Trade receivables

Particulars	Rs in Lakhs
Loss allowance as on 31st March 2021	245
Changes in loss allowance	40
Loss allowance as on 31st March 2022	285
Changes in loss allowance	0
Loss allowance as on 31st March 2023	285

(B) Liquidity risk

The Company has a liquidity risk management framework for managing its short term, medium term and long term sources of funding vis-à-vis short term and long term utilization requirement. This is monitored through a rolling forecast showing the
expected net cash flow, likely availability of cash and cash equivalents, and available undrawn borrowing facilities.

(i) Financing arrangements: The position of undrawn borrowing facilities at the end of reporting period are as follows:

	Rs in Lakhs	
Particulars	March 31, 2023	March 31, 2022
Floating rate		
Cash credit/WCTL facility	910	892

The bank overdraft and cash credit facilities may be drawn at any time and may be terminated by the bank without notice.

(ii) Maturities of financial liabilities

The table below analyses the company's all non-derivative financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Capital management

(a) Risk management

The company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.
In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio:
Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).
The gearing ratios of the Company are as follows:

ANGLO FRENCH DRUGS & INDUSTRIES LTD
Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2023

42 RELATED PARTY

TRANSACTIONS (a) LIST OF

RELATED PARTIES

A. Key Management Personnel of the company and close member of Key Management Personnel of the company

1 Mr. Abhay Kanoria
2 Mr. Uddhav Kanoria
3 Mr. N Ahmedali
4 Ms.Neha Rajen Gada
5 Mr. Nirbhay Kanoria
6 Mr. Sanatkumar Shirali
7 Mrs. Girija Subramanian
8 Mr. Rakesh P Kanyadi
9 Mrs.Pallavi Kanoria (Wife of Mr Abhay Kanoria)
10 Mr.Harshwardhan Murarka
11 Ms. Sriee Aneetha

B. Subsidiaries

1. Anglo French Drugs & Industries PTE Ltd The wholly owned subsidiary of the Company located in Singapore has ceased to operate during the FY 22-23. The closure procedures have been initiated with the cut-off date as 31-01-2023. All assets and liabilities of the wholly-owned subsidiary as on the cut-off date has been transferred to the Holding Company i.e. Anglo French Drugs & Industries Ltd (India). Hence, consolidated financials statements has not be prepared as on 31-03-2023

C. Enterprises which are post employment benefit plan for the benefit of employees

i) The Anglo French Drug Co. ESTN Ltd Employee`s Gratuity Fund ii) Group Supperannuation Scheme under LIC of India

D. Enterprises in which Key Management Personnel and close member of Key Management personnel have joint control.

1 Abhay Kanoria Family Trust
2 Broach Textile Mills Ltd.
3 Ekta Tie-up Pvt. Ltd.
4 GBK Charitable Trust
5 Radha Kesari Spinning Mills Ltd.
6 Sudarshan Services Ltd.
7 Sudarshan Exports Ltd.
8 Ninaad Finance & Properties Pvt.Ltd.
9 Shir Binod Kanoria Foundation

(b) Transactions with Related Parties for the year ended March 31, 2023 (Rupees in Lacs)

NATURE OF TRANSACTIONS	Subsidiaries		Enterprises in which Key Management Personnel have Joint		Key Management Personnel / Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit	
	2023	2022	2023	2022	2023	2022	2023	2022
EXPENSES:								
i) Rent paid								
Sudarshan Services Ltd. Mr. Abhay					13	12		
Mrs.Pallavi Kanoria					13	12		
ii) Receiving of Services – Administrative, Commercial & Accounting service					15			
Binod Kanoria Foundation -Donation paid								
iii) Interest Paid			59	71				
Ninand finance & Properties Pvt Ltd			24	25				
iv) Remuneration Paid								
Mr. Abhay Kanoria					84	95		
Mr. Uddhav Kanoria					57	54		
Mr. Nirbhay Kanoria					46	43		
Mrs.Pallavi Kanoria					38	36		
Mr.Harshwardhan Murarka					27	19		
Ms. Deepa Ramachadran					-	11		
Ms. Sriee Aneetha					8	-		
Mr. Rakesh P Kanyadi					32	25		
v) Director`s sitting fees								
Mr. Sanatkumar Shirali					2.20	1.10		
Ms.Neha Rajen Gada					2.40	1.30		
Mr. N Ahmedali					2.80	1.20		
Mr. Rajendra Bhaskar Smarta					-	0.60		
Mrs. Girija Subramanian					0.60	0.20		
Mr. Rakesh P Kanyadi					1.00	0.60		
Income on sale of pharmaceutical products								
AFDIL Pte Ltd	-	164						
OTHER RECEIPTS:								
i) Inter Corporate Deposit Received								
Ninaad Finance & Properties Pvt.Ltd			269					
Refund of Gratuity								
The Anglo French Drug Co. ESTN Ltd Employee`s Gratuity Fund							60	31

Outstanding Balances as on March 31, 2023

NATURE OF TRANSACTIONS	Subsidiaries		Enterprises in which		Key Management		Enterprises which	
	2023	2022	2023	2022	2023	2022	2023	2022
PAYABLES :								
i) Inter Corporate Deposit								
Sudarshan Services Ltd			500	638				
Ninaad Finance & Properties Pvt Ltd			216	69				
LOANS & ADVANCES AND RECEIVABLES :								
ii) For Goods & Services								
Anglo-French Drugs & Industries Pte Ltd	-	123						
iii) Security Deposit								
Mr. Abhay Kanoria			12	12				

Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2023

43 The company had contingent liabilities at March 31, 2023 in respect of:

A (a) Claims against the Company pending appellate/judicial decisions not acknowledged as debts :

Particulars	March 31, 2023	March 31, 2022
a) Value Added Tax/Sales Tax	57	132
b) Service Tax/ Excise Duty	116	116
c) TDS defaults as per TDS-CPC	18	18

a. The Management believes that the outcome of the above will not have any material adverse effect on the financial position of the company.

b. The Company does not expect any reimbursements in respect of the above contingent liabilities.

c. The assessed tax liability is ₹ 57 lakhs towards Value added tax / sales tax and Rs.116 lakhs towards service tax are under dispute as at March 31, 2023 based on the favourable decision of the Appellate Authorities and the interpretation of the other relevant provisions, the Company has been advised that the demand raised by the Department may not crystallise into a potential obligation. Accordingly, no provision is considered necessary.

d. TDS demand is due to errors in filling the TDS returns, which are being revised. On revision, the liability is likely to get adjusted and hence no provision has been made

e. It is not practicable to estimate the timing of cash outflows, if any, in respect of matters above pending resolution of the arbitration / appellate proceedings. Further, the liability above excludes interest and penalty in cases where the company has determined that the possibility of such levy is remote.

(b) Guarantees :
i. Counter guarantees issued to banks and remaining outstanding INR 31.22 Lakhs (FY 2021-22 - INR 420.59 lakhs).
ii. Letter of credit opened and remaining outstanding INR 3.78 lakhs (FY 2021-22 - INR 66.08 lakhs)

(c) Capital Commitments - Nil

B Other Statutory information

The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

The Company does not have any transactions with companies which are struck off

The Indian Parliament has approved the Code on Social Security, 2020 ('Code') which may likely impact the contributions made by the Company towards Provident Fund and Gratuity. The Company will assess the impact and its evaluation once the corresponding rules are notified and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are notified.

The Company has sold the portfolio of brand (including all rights and interests associated with the products) along with identified intangible assets including without limitation all intellectual property rights in April 2022 based on approval by the shareholders of the Company in the EGM held on 28.02.2022 to Lupin Limited for a consideration of Rs.305 crores

ANGLO FRENCH DRUGS & INDUSTRIES LTD

Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2023

44 Leases

Applicability of Ind AS 116 – As a lessee

Ind AS 116 on "Leases" is mandatory for reporting periods beginning on or after 1st April, 2019 as notified by the Ministry of Corporate Affairs (MCA) vide Companies (Indian Accounting Standards) Rules, 2015 as amended, replacing the existing lease rental recognition criteria. The application of Ind AS 116 has impacted the company's accounting for recognition of leases payments.

Under this standard, amortisation cost and Finance cost has increased by Rs 18 lakhs and decreased Rs 1 lakh respectively and corresponding per annum rent has decreased by Rs 20 lakhs. Application of this standard resulted in increased of profit amounting to Rs. 19 lacs. The single accounting model introduced by Ind AS 116 recognises a right-of-use asset amounting to Rs 484 lakhs representing its right to use the underlying assets and a lease liability of the equivalent amount representing its obligation to make lease payments.

The following are the leasing arrangements entered into by the Company which has been considered for IND AS 116.

Sr. No	Location	Name of Land Lord	Period		Deposit	Rent P.M.	Rent for One Year
			From	To			
1	Corporate Office	Rathna Shivarudrappa	01-04-2021	31-03-2022	16,50,000	1,99,500	23,94,000
			01-04-2022	31-03-2023		2,09,475	25,13,700
2	Mumbai Office	The Phoenix Mills Limited	18.12.2016	17.12.2021	45,80,180	7,78,363	93,40,356
			18.12.2021	17.12.2022		774510	92,94,120
			18.12.2022	17.12.2023		813236	97,58,832
3	Mumbai Guest house	MINOO ARJANDAS MELWANI	01.08.2021	31.07.2022	12,00,000	4,00,000	48,00,000
			01.08.2022	31.07.2023		420000	5040000

ANGLO FRENCH DRUGS & INDUSTRIES LTD

Notes annexed to and forming part of the Financial Statement for the year ended March 31, 2023

45 (a) Details of Raw Materials Consumed

Description	Units	Current Year		Previous Year	
		Quantity	Amount	Quantity	Amount
PHARMACEUTICALS					
Calcium D Pantohenate IP	Kgs	5,890	155	4,700	59
Ascoric Acid	Kgs	47,256	210	63,849	297
Miscellaneous					
(None individually account for more than 10% of total consumption)			1,813		2,201
			2,178		2,557

(b) Value of Raw Materials Stores and Spare Parts consumed: (` in Lakhs)

Description	Current Year		Previous Year	
	Amount	%	Amount	%
a) Raw Materials:				
Imported	61	3	0	-
Indigenous	1,840	97	2,557	100
	1,901	100	2,557	100
b) Stores and Spare Parts				
Imported	0			
Indigenous	11	100	16	100
	11	100	16	100

(c) Purchase of Stock -in-Trade (` in Lakhs)

Description	Units	Current Year		Previous Year	
		Quantity	Amount	Quantity	Amount
Formulations:					
a) Tablets	Million	297	2,440	292	2,409
b) Liquids	Bottles	94,58,962	1182	1,03,75,900	1,267
c) Injections	Litres	9,103	133	12,439	125
d) Injections	Kgs	868	184	2,43,783	344
e) Capsules	Million	43	440	49	503
f) Granules	Kgs	3,697	10	1,017	8
g) Powder	Kgs	1,18,737	151	3,71,443	354
h) Ointment	Kgs	52,128	254	46,550	280
i) Others	Nos.	6,64,868	48	5,28,073	39
			4,842		5329

(b) Value of Imports on CIF basis

Description	Current Year		Previous Year	
	USD	Rs. In lakhs	USD	Rs. In lakhs
i) Raw Materials	83,600	75	-	-
ii) Components and Spare Parts	-	-	-	-
Expenditure in Foreign Currency	1,26,625	101	1,52,706	114
F.O.B Value of Exports				
In Foreign Currency	10,84,688	872	8,75,133	645

46 Operating Segment

The Holding Company has only one reportable segment i.e. pharmaceticals (₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Information about Geographical Areas:		
Revenue from customers		
In India	9,316	15,730
Outside India	916	732

47 Research and Development Expenses

For the period ended	March 31, 2023	March 31, 2022
Material Consumption	1	2
Labortary consumption	16	5
Employee Benefits Expense	21	16
Others	1	65
	39	88

48 Revenue Recognition as per Ind AS 115

i The Company derives revenues primarily from sale of pharmaceutical products and scrap from its contracts with customers. The revenues have been disclosed in Note No.28 "Revenue from Operations

ii The disaggregation of revenues is as under: (₹ in lakhs)

Nature	March 31, 2023	March 31, 2022
Revenue from contracts with customers		
Revenues from sale of goods	10,232	16,462
Revenues from sale of scrap	5	9
(Other operating income)		
	10,237	16,471

iii. The revenues are further disaggregated into revenues from domestic as well as export market as follows :

Nature	March 31, 2023		March 31, 2022	
	Domestic	Exports (including Deemed Exports)	Domestic	Exports (including Deemed Exports)
Revenue from contracts with customers				
Revenues from sale of goods	9,316	916	15,730	732
Revenues from sale of scrap	5	0	9	
(Other operating income)				
	9,321	916	15,739	732

iv. The movement in Company's receivables, contract assets and contract liabilities are as under:

Nature	Contract Asset	Contract Liabilities
Balance as at the beginning of the year	43	85
Additions	0	0
Adjustments	43	74
Balance as at the end of the year	0	11

49 Critical judgements in applying accounting policies

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainties about these assumptions and estimates could result outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Key Assumptions:
The key assumptions concerning the future and other key estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

a) Estimated useful life of tangible and intangible assets:

The Company has estimated the useful life based on useful life as specified in Schedule-II to the Companies Act, 2013. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The estimated useful life and residual values are reviewed at the end of each financial year and if necessary, changes in estimates are accounted. Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b) Inventory :

Reviews are made periodically by the management on damaged, obsolete and slowmoving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.
Inventories are stated at the lower of cost and net realisable value. Demand levels, exchange rates, technological advances and pricing competition could change from time to time. The company estimates the net realisable value of inventories based on an assessment of sales prices.
The Company's management conducts physical verification of inventories during the year at reasonable intervals. Management was able to perform year end physical verification of inventories, only at certain locations during Feb & Mar23. Management has carried out procedures to validate the existence of its inventory to determine the quantities and value of the inventory at the balance sheet date.

c) Trade Receivable :

The collectibility of receivables is assessed on an on going basis. An allowance for doubtful debts is made for any account considered to be doubtful of collection and also .

Allowance for doubtful debts is made based on a review of all outstanding accounts as at the balance sheet date. A considerable amount of judgement and estimate is required in assessing the ultimate realisation of these receivables, including the creditworthiness, the past collection history of each customer and subsequent collection up to date of report. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

d) Impairment of Trade Receivable:

The impairment provision for financial assets is based on the assumption about risk of default and expected loss rates. The Company uses judgments in making these assumptions and selecting the input impairment calculation based on the Company past history as well as forward looking assumptions at the end of each reporting period.

e) Defined Benefit Obligation:

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by themanagement. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 23, 'Employee benefits'

f) Fair value measurement :

Fair value measurement of financial instruments When the fair values of financials assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

g) Current Tax :

The computation of advance taxes, provision for current/deferred tax are made based on significant judgments and which may get revised pursuant to position taken by the tax authorities.

h) Provision and Contingent Liabilities :

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities (see note 43 to the financial statements). Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

Note No 50

Financial Ratios

Particulars	Numerator	Denominator	Ratios		Variance %	
			For the year ended 31st March 2023	For the year ended 31st March 2022		Change in ratio in excess of 25% compared to preceeding year
Current Ratio (in times)	Current Assets	Current Liabilties	6.66	1.61	312.67	Current Assets increased on account of Investments source from Brand Sale Proceeds
Debt Equity Ratio (in times)	Total Borrowings (Non current+Current)	Total Equity	0.12	1.88	(93.37)	On Account of reduction in working capital limits
Debt Service Coverage Ratio (in times)	Porfit before tax+Depreciation and amortisation expenses+Interest on term loans and debentures	Interest on debentures + Interest on term loans + Scheduled principal repayments of term loans and debentures (i.e. excluding prepayments and refinancing of debts) during the year	104.97	2.29	4,474.61	On Account of Brand sale
Return on Equity Ratio	Net Profit after tax	Average Networth	0.42	0.02	1,893.74	On Account of Brand sale
Inventory Turnover (no of days)	Average inventory	Fuel Cost + Stores & Spares Consumed+ Purchase of stock-in-trade	0.31	0.43	(28.07)	Written of Inventory on account of Brand sale
Debtors Turnover Ratio	(Average Trade Receivables + Average unbilled revenue) * No of days in the reporting year	Revenue from operations	0.45	0.21	113.45	On Account of Brand sale
Payables Turnover Ratio	Average Trade payables * No of days in the reporting year	Cost of goods sold	0.31	0.12	158.51	On Account of Brand sale
Net Capital Turnover (in times)	Revenue from operations	Working Capital	0.47	5.67	(91.63)	Turnover is lower due to Brand Sale
Net Profit Margin (%)	Net profit for the year	Total Income	1.73	0.01	11,710.60	On Account of Brand sale
Return on Capital Employed (%)	Profit before tax plus Interest on long term loans and debentures	Net worth + Total borrowings + Deferred Tax	1.08	0.10	952.96	On Account of Brand sale

Note No 51

These financial statements have been adopted by the Board in its meeting dated 9th May 2023