

101st

ANNUAL REPORT

2023-24



Anglo-French Drugs & Industries Limited

Board of Directors:

Mr. Abhay Kanoria
Mr. Uddhav Abhay Kanoria
Mr. Nirbhay Abhay Kanoria
Mr. Sanatkumar Manjunath Shirali
Mr. Ahmedali Nalagath
Mrs. Neha Rajen Gada
Mr. Rakesh Parmeshwar Kanyadi
Mr. Rohit Choraria
Mrs. Girija Subramanian
Mrs. Jayashree V. Ranade
Mr. Srinivasan Krishnan
Mr. Pradeep Joshi

Chairman & Managing Director
President & Whole-time Director
President, Director and Chief Financial Officer
Independent Director (Upto 12-02-2024)
Independent Director
Independent Director (Upto 12-02-2024)
Non-Executive & Non-Independent Director
Non-Executive & Non-Independent Director (w.e.f. 09-05-2023)
Nominee Director (Upto 09-05-2023)
Nominee Director (w.e.f. 09-05-2023)
Independent Director (w.e.f. 12-02-2024)
Independent Director (w.e.f. 12-02-2024)

Chief Financial Officer

Mr. Nirbhay Abhay Kanoria (w.e.f. 18-01-2024)
Mr. Harshwardhan Murarka (Upto 27-10-2023)

Company Secretary

Mrs. Sree Aneetha. M

Statutory Auditors

M/s. KAMG & Associates
Chartered Accountants

Secretarial Auditors

M/s. Swaroop Suri & Associates,
Practicing Company Secretaries

Cost Auditors

M/s. Sandhya P & Co.,
Cost Accountants

Internal Auditors

M/s. B. Choraria & Mates
Chartered Accountants

Bankers

HDFC Bank Limited
YES Bank Limited

Factory / Plant Address

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

Registered Office

New Address: w.e.f. 01-03-2024
Anglo-French Drugs & Industries Limited
CIN: L24230KA1923PLC010205
Plot No.4, Phase-II, Peenya Industrial Area, Peenya,
Bengaluru – 560058
Tel Nos. 080-23154770 / 23156757
Website: www.afdil.com
Old address:
No.41, 3rd Cross, V Block, SSI Area,
Rajajinagar, Bengaluru – 560010

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: Plot no.4, Phase II, Peenya Industrial Area, Peenya, Bengaluru 560058.

CIN:L24230KA1923PLC010205 Website:www.afdil.com

NOTICE CONVENING 101ST ANNUAL GENERAL MEETING

NOTICE is hereby given that the 101st Annual General Meeting of the Members of Anglo-French Drugs & Industries Limited ("Company") will be held on Monday, the 12th August 2024 at 4.00 pm at Hotel The Fern Residency, President Hall, 6/1, Tumkur Main Road, next to Sparsh Hospital, Yeshwanthpur Industrial Area, Phase 1, Yeswanthpur, Bengaluru- 560022, 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 2024 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 2024.
3. To appoint a Director in place of Mr. Rohit Choraria, DIN: 07003583, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **Re-appointment of Mr. Uddhav Abhay Kanoria, DIN: 00108909 President and Whole Time 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. Uddhav Kanoria, DIN:00108909 President and Whole-time Director of the Company for a further period of 26 months from 10th August 2024 to 30th September 2026 and retain the same remuneration with terms and conditions wef 01st July 2024 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. Uddhav Abhay Kanoria.

5. **Re-appointment of Mr. Rakesh Kanyadi, DIN:08532438 as Non-Executive & Non-Independent Director of the Company, together with revision of Remuneration.**

To consider and if thought fit, to pass the following resolution as an Ordinary 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. Rakesh Kanyadi, DIN:08532438 Non-Executive & Non-Independent Director of the Company for a further period of 28 months from 14th June 2024 to 30th September 2026 and retain the same remuneration with terms and conditions wef 01st July 2024 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. Rakesh Kanyadi.

6. **Appointment of Mrs. Rani Shokeen, DIN: 10634071 as Independent Director of the Company**

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, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder, and applicable provisions of SEBI (LODR) Regulations, 2015, (including any statutory modification or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, approvals and recommendation of the Nomination and Remuneration Committee and Board of Directors, for the appointment of Mrs. Rani Shokeen, DIN: 10634071, as Independent Director of the Company for the first term with effect from 28th May 2024 to 30th September, 2028 (4 years and 4 months), who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the LODR Regulations, be and is hereby appointed as an Independent Director of the Company, and that she shall not be liable to retire by rotation.

7. **Appointment and ratification of remuneration of Cost Auditors of the Company for the Financial Year 2024-25**

To consider and if thought fit, to pass 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 2024-25 and ratification of remuneration payable to them amounting to ₹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: 28th May 2024

Place: Bengaluru

Registered Address:

Plot No.4, Phase – II,
Peenya Industrial Area,
Peenya, Bengaluru – 560058.

Sriee Aneetha. M
Company Secretary &
Compliance Officer

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 2023-24 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 2023-24 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 (LODR) Regulations, 2015 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 101st 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 101st AGM and the Annual Report for the year 2023-2024 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:

10. The final dividend of ₹1.50 per fully paid-up Equity share of ₹10/- each, @ 15% for the Financial Year 2023-24 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 Monday, 19th August 2024 to those members whose names appear on the Register of Members as on Friday, 2nd August 2024.
 11. 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.
 12. Members holding shares in physical/electronic form are required to submit their bank account details, if not already registered, as mandated by SEBI.
 13. Shareholders holding shares in dematerialized mode are requested to register complete bank account details with the Depository Participant(s).
 14. SEBI, vide its circular dated 3 November, 2021 (subsequently amended by circulars) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any dividend payment in respect of such folios, only through electronic mode with effect from 1 April, 2024, only upon furnishing the PAN, contact details including mobile number, bank account details and specimen signature.
- Further, relevant FAQs published by SEBI on its website can be viewed at the following link : https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf
15. 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);

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 2023-24.



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 2024-25 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/aanglo/HolderDtIs.aspx> on or before Thursday, 01st August 2024 to enable the Company to determine the appropriate TDS/withholding tax rate applicable. Any communication on the tax determination/deduction received post Thursday, 01st August 2024 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, 01st August 2024** 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, 01st August 2024**.

- 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.
- g. In order to facilitate processing of Investor Service request and complaints Online, M/s. Canbank Computer Services Ltd, the Registrars and Transfer Agents (RTA) of the Company, has made available "Online Processing of Investor Services" tab on the home page of their website – ie., "canbankrta.com" (which is available under 'Customer Services'). Shareholders are requested to kindly use the said Online Services for updating the KYC details so as to be eligible/ and get the dividend amounts.

16. **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.
17. **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.
18. **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.
19. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or CDSL, 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.
20. 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.
21. 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.
22. 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.
23. **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.
24. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 03rd August 2024 to Monday, 12th August 2024 (both days inclusive).
25. The route map showing directions to reach the venue of the 101st Annual General Meeting is annexed to this notice.
26. 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).

27. **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.

28. SEBI vide Circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated 31 July, 2023 (updated as on 4 August, 2023) has specified that a shareholder shall first take up his/ her/their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, he/she/ they can initiate dispute resolution through the Online Dispute Resolution ("ODR") Portal. Shareholders are requested to take note of the same.

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

The remote e-voting period begins on Thursday, 08th August 2024 at 09.00 am and ends on Sunday, 11th August, 2024 at 05.00 pm. 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. Tuesday, 06th August 2024 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 Tuesday, 06th August 2024.

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.	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
	- 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. - 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	- 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. - 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. - 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. - 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
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?

- 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, 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.
- 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***

- Password details for shareholders other than Individual shareholders are given below:
 - If you are already registered for e-Voting, then you

can use your existing password to login and cast your vote.

- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial 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.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to 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 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
- If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - 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.
 - Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - 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.
 - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button.
- 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?

- 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.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
- Now you are ready for e-Voting as the Voting page opens.
- 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.
- 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 support@raoandassociates.co.in 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 or send a request to Falguni Chakraborty 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.

17. Other information:

- The remote e-voting period commences on Thursday, 08th August 2024 at 09.00 am and ends on Sunday, 11th August, 2024 at 05.00 pm. During this period Members

of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date i.e. Tuesday, 6th August 2024 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. Tuesday, 6th August 2024.
- 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.
- Mr. Raghavendra Naveen BK, Practicing Company Secretary, 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 2023-24 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 101st AGM and the Annual Report FY 2023-24 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: 28th May 2024
Place: Bengaluru

Sriee Aneetha. M
Company Secretary &
Compliance Officer

Registered Address:
Plot No.4, Phase – II,
Peenya Industrial Area,
Peenya, Bengaluru – 560058

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 28th May, 2024 considered the re-appointment of Mr.Uddhav Kanoria, DIN: 00108909, as the President and Whole-time Director of the Company for a further period of 26 months from 10th August 2024 to 30th September 2026 and retain the same remuneration with terms and conditions w.e.f 01st July 2024, with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed between the Board of Directors and Mr. Uddhav Kanoria.

Mr.Uddhav Kanoria, aged 43 years, is the President & Whole-Time Director of the Company. He is a graduate in Business Administration with Finance as main and Marketing as ancillary from The University of Texas, Austin with more than 15 year of experience in the field of strategic business development and managing business operations. He has been associated with the Company for more than 18 years and during such association he has been serving as the Whole Time Director of the Company since 2006. He is responsible for advising and counselling management on corporate decisions, providing strategic guidance and oversight and supervise actively the day-to-day management and administration of the Company. The remuneration payable to Mr.Uddhav Kanoria was revised w.e.f 01st July 2020 and shall be on same terms and conditions as approved by Members through Postal Ballot on 09th November 2020. Subsequently at 98th AGM the same remuneration with terms and conditions were retained.

His association with the Company as the President & Whole-Time Director reflected good performance and enhanced the productivity of the Company. It is proposed to seek the Members' approval for the re-appointment of Mr.Uddhav Kanoria DIN:00108909 as President & Whole-Time Director of the Company in terms of the applicable provisions of the Act.

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 Kanoria, Mr. 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. Uddhav Kanoria :

A. Tenure of Appointment

The re-appointment as President and Whole-time Director of the Company for a further period of 26 months from 10th August 2024 to 30th September 2026 and the remuneration with terms and conditions remains the same.

B. Nature of Duties

The President and Whole-time Director 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 President and Whole-time Director 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 ₹ 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 as per rules of the Company 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 President and Whole-time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Salary, Benefits, Perquisites and Allowances, as per the provisions of Schedule V of the Act, or any modification(s) thereto.

Any payment made to President and Whole-time Director 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.

Mr. Uddhav 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. Uddhav Kanoria as President and 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.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 28th May 2024 considered the re-appointment of Mr. Rakesh Kanyadi, DIN:08532438 Non-Executive & Non-Independent Director of the Company for a further period of 28 months from 14th June 2024 to 30th September 2026 and retain the same remuneration with terms and conditions wef 01st July 2024, with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed between the Board of Directors and Mr. Rakesh Kanyadi.

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 ordinary resolution.

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

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

A. Tenure of Appointment

Mr. Rakesh Kanyadi, DIN:08532438 Non-Executive & Non-Independent Director of the Company is reappointed for a further period of 28 months from 14th June 2024 to 30th September 2026 and the remuneration with terms and conditions remains the same.

B. Nature of Duties

Mr. Rakesh Kanyadi shall devote his such time and attention to the business of the Company and carry out such duties of Plant operations 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 ₹ 59,000/- pm.
- b. Perquisites and allowances:
 1. House Rent Allowance
 2. Use of Company's car 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. The re-imbursement of medical expenses for himself for domiciliary treatment up to a limit of ₹15,000/- in a year and coverage under Company's MEDICLAIM Policy with Insurance Company.
 6. Leave Travel Concession, in accordance with the Rules of the Company.
 7. Earned leave as per the rules of the Company.
 8. 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.
 9. Meal Coupons
 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. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the Non-Executive & Non-Independent Director, the Company has no profits or

its profits are inadequate, the Company will pay remuneration by way of Salary, Benefits, Perquisites and Allowances, as per the provisions of Schedule V of the Act, or any modification(s) thereto. However within the limits as approved by the members and shall not exceed ₹40 Lakhs pa.

Any payment made to Non-Executive & Non- Independent Director 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 Non-Executive & Non- Independent Director 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. Rakesh Kanyadi will 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. Rakesh Kanyadi Non-Executive & Non- Independent 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

Pursuant to Section 161 of the Companies Act, 2013, and other applicable provisions the Board, at its meeting held on 28th May 2024 appointed Mrs. Rani Shokeen, DIN: 10634071 as an Additional Director in the capacity of Independent Director for the first term with effect from 28th May 2024 to 30th September, 2028 (4 years and 4 months), subject to the approval of the shareholders through an Ordinary Resolution.

The Nomination and Remuneration Committee ("NRC") had previously finalized the desired attributes for the selection of the Independent Director(s) such as experience, expertise and independence etc. Basis those attributes, the NRC recommended the candidature of Mrs. Rani Shokeen.

In the opinion of the Board, Mrs. Rani Shokeen fulfils the conditions for independence specified in the Act, the Rules made thereunder and the LODR Regulations and such other laws / regulations for the time being in force, to the extent applicable to the Company and she is independent of the Management. The Board noted the background and experience are aligned to the role and capabilities identified by the NRC and that she is eligible for appointment as an Independent Director. The Board was satisfied that the appointment is justified due to the following reasons:

Mrs.Rani Shokeen was Retd. Major in Indian Army having 11 years of experience in Administration, Training and Overall Development of Army Personnel. Strategic people and Organisation leadership to the Global Functions and Global Operation Centre. Organising development projects, design and roll-out strategies and programs to anticipate and meet long-term business needs on talent, organization and culture, leveraging analytics and market insights. Mrs.Rani Shokeen is qualified as Bachelor in Science, Masters of Art, Master of Business Administration (HR) from Symbiosis Institute of Management Studies, Executive education on Organisational Development with specialization on Team effectiveness, Organization Design and Change Management from Hult Ashridge Business School, UK.

The resolution seeks the approval of members for the appointment of Mrs.Rani Shokeen as an Independent Director of the Company for the first term with effect from 28th May 2024 to 30th September, 2028 (4 years and 4 months) pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and he shall not be liable to retire by rotation.

The profile and specific areas of expertise and other relevant information as required under the LODR Regulations and SS-2 are provided in additional information section of this Notice.

No director, key managerial personnel (KMP) or their relatives except Mrs.Rani Shokeen, to whom the resolution relates, is interested in or concerned, financially or otherwise, in passing the proposed resolution as set out in Item no. 6.

The Board recommends the Ordinary Resolution as set out in Item no. 6 of this notice for the approval of members.

ITEM NO.7

On recommendation of the Audit Committee, the Board of Directors of the Company at their meeting held on 28th May 2024 approved the appointment of M/s. Sandhya P & Co, Cost Accountants, Firm Registration No.004755, as Cost Auditor of the Company, to conduct the audit of Cost records relating to Pharmaceutical Formulations for the Financial Year 2024-25 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.7 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: 28th May 2024

Place: Bengaluru

Registered Address:
Plot No.4, Phase – II,
Peenya Industrial Area,
Peenya, Bengaluru – 560058

Sriee Aneetha. M
Company Secretary &
Compliance Officer



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:

₹ In Lakhs

Particulars	Year ended as on	
	31-03-2023	31-03-2022
Net Sales and Other Income	11,010	16,561
Operating Profit (EBITDA including Other Income)	-3,685	471
Less : Depreciation / Amortisation Expenses	334	290
Profit before Tax (PBT)	-4,019	181
Profit after Tax (PAT)	19,094	145

- (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. ACRA Accounting and Corporate Regulatory Authority of Singapore approved the Strike off on 23rd October 2023.

II. Information about the Appointees:

Sr. No.	Details	Mr. Uddhav Abhay Kanoria	Mr. Rakesh Kanyadi	Mrs. Rani Shokeen
1.	Background details	Mr. Uddhav Kanoria brings more than 18 years of experience in the field of strategic business development and managing business operations. He currently heads the Exports & Institutional divisions of the Company.	Mr. Rakesh Kanyadi is B.Pharm graduate with over 21 years of experience in Pharmaceutical Industry. He has experience in managing all aspects of plant operations and has worked with reputed Pharma Companies in the past.	Mrs. Rani Shokeen was Retd. Major in Indian Army having 11 years of experience in Administration, Training and Overall Development of Army Personnel. Strategic people and Organisation leadership to the Global Functions and Global Operation Centre. Organising development projects, design and roll-out strategies and programs to anticipate and meet long-term business needs on talent, organization and culture, leveraging analytics and market insights.
2.	Past remuneration with perquisites	₹4.84 Lakhs pm	₹2.50 Lakhs pm	NA
3.	Job profile and his / her suitability	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.	Plant –Operations Technical	NA
4.	Remuneration proposed	As mentioned in the Resolution and Explanatory Statement	As mentioned in the Resolution and Explanatory Statement	NA
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 the above Directors and the responsibilities shouldered on them, the Nomination and Remuneration Committee at their meeting had considered the remuneration payable to the above Directors and for the same competitive in line with their experience, skill and expertise in the Pharmaceutical Industry.			

Sr. No.	Details	Mr. Uddhav Abhay Kanoria	Mr.Rakesh Kanyadi	Mrs.Rani Shokeen
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, Mr.Uddhav Kanoria belong to the Promoter & Promoter Group of the Company. Mr.Rakesh Kanyadi draws remuneration from Company and does not belongs to Promoter & Promoter Group. Mrs.Rani Shokeen is an Independent Director of the Company and do not have any pecuniary relationship.			

III. OTHER INFORMATION:

- (1) Reason of loss or Inadequate profits: The Company has sold the portfolio of brand along with identified intangible assets including intellectual property rights in April 2022 based on approval by the shareholders of the Company through the postal ballot held on 28th February 2022 to Lupin Limited. For the financial year 2023-24, with the significant reduction in operations over the sale of brand and focused more on trading activities and manufacturing orders through LL agreements, the Company has incurred operating losses.
- (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 it in full production capacity. The Company is also exploring the new markets at overseas for Sales. The Company's endeavour is to foster its export sales and for this its Plant is upgraded and old machinery replaced. The Company had not done any impairment testing to ascertain that the recoverable value is more than the carrying value.
- (3) Expected increase in productivity and profits in measurable terms - The Board of Directors had expressed its optimism and plans to make the Peenya Plant of the Company a profit centre through expansion for export sale promotion. 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.Uddhav Kanoria	Mr.Rakesh Kanyadi	Mrs.Rani Shokeen
Director Identification Number (DIN)	00108909	08532438	10634071
Date of Birth	08-08-1981	28-07-1973	21-10-1973
Date of Appointment	10th August 2006	13th August 2019	28th May 2024
Nationality	Indian	Indian	Indian
Qualifications	Bachelor of Business Administration, The University of Texas	Bachelor in Pharmacy	Bachelor in Science, Masters of Art, Master of Business Administration (HR) from Symbiosis Institute of Management Studies, Executive education on Organisational Development with specialization on Team effectiveness, Organization Design and Change Management from Hult Ashridge Business School, UK
Experience and expertise in specific functional areas	Mr.Uddhav Kanoria has more than 18 years of experience in the field of strategic business development and managing business operations. He currently heads the exports and Institutional division.	Mr.Rakesh Kanyadi is B.Pharma graduate with over 21 years of experience in Pharmaceutical Industry. He has experience in managing all aspects of plant operations and has worked with reputed Pharma Companies in the past.	Mrs.Rani Shokeen was Retd. Major in Indian Army having 11 years of experience in Administration, Training and Overall Development of Army Personnel. Strategic people and Organisation leadership to the Global Functions and Global Operation Centre. Organising development projects, design and roll-out strategies and programs to anticipate and meet long-term business needs on talent, organization and culture, leveraging analytics and market insights.



Particulars	Mr.Uddhav Kanoria	Mr.Rakesh Kanyadi	Mrs.Rani Shokeen
Shareholding in the Company including shareholding as a beneficial owner	Nil	Nil	Nil
Directorship held in other body corporate as on 31st March 2024, along with listed entities from which the person has resigned in the past three years	1. Broach Textile Mills Limited– MD 2. Radha Kesari Spinning Mills Limited 3. Sudarshan Exports Limited 4. Dormirbien Private Limited.,	None	None
Number of meetings of the Board attended during the financial year March 31, 2024	6 out of 7	7 out of 7	NA
Committee position held in other companies (Chairmanship/ Membership of Audit & Stakeholders Relationship Committee of other Public Companies as on March 31, 2024).	None	None	None
Relationship with other Directors/ Key Managerial Personnel	Mr.Abhay Kanoria is the father - CMD Mr.Nirbhay Abhay Kanoria is the Brother - WTD	None	None



Anglo-French Drugs & Industries Limited

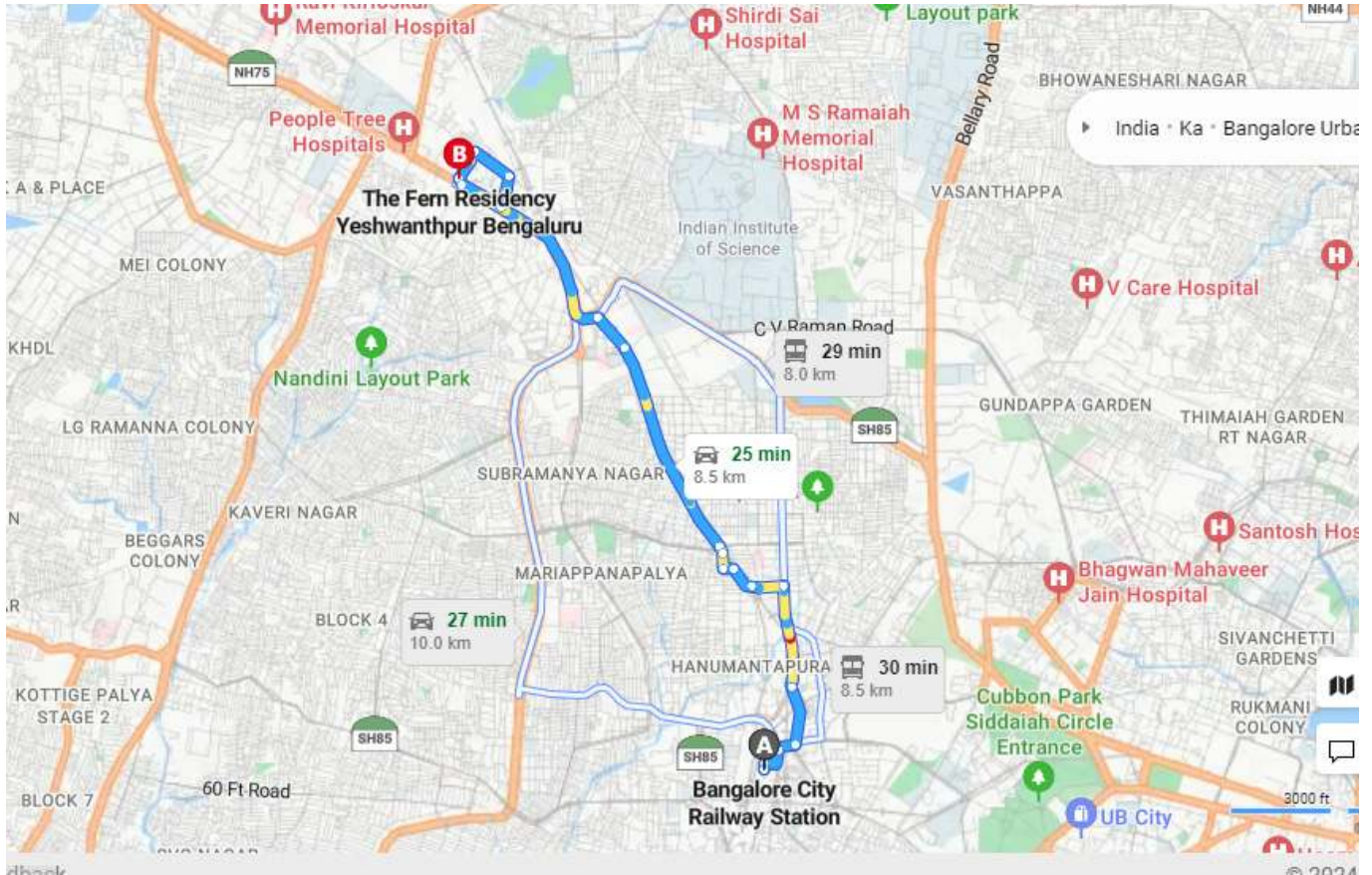
Registered Office: Plot no.4, Phase II, Peenya Industrial Area, Peenya, Bengaluru 560058.

CIN:L24230KA1923PLC010205 Website:www.afdil.com

Route Map for 101st Annual General Meeting Venue

Venue: Hotel The Fern Residency, President Hall, 6/1, Tumkur Main Road, next to Sparsh Hospital, Yeshwanthpur Industrial Area, Phase 1, Yeswanthpur, Bengaluru- 560022, Karnataka

Date: Monday, 12th August 2024 at 4.00 p.m.





ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED

Registered Office: Plot no.4, Phase II, Peenya Industrial Area, Peenya, Bengaluru 560058.
CIN:L24230KA1923PLC010205 Website:www.afdil.com

ATTENDANCE SLIP

I hereby record my presence at the 101st Annual General Meeting held on Monday, 12th August 2024, at 4.00 p.m. at Hotel The Fern Residency, President Hall, 6/1, Tumkur Main Road, next to Sparsh Hospital, Yeshwanthpur Industrial Area, Phase 1, Yeswanthpur, Bengaluru- 560022 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**

Registered Office: Plot no.4, Phase II, Peenya Industrial Area, Peenya, Bengaluru 560058.

CIN:L24230KA1923PLC010205 Websie: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	Plot no,4, Phase II, Peenya Industrial Area, Peenya Bengaluru -560058.
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:

- 2) _____ of _____ having e-mail ID _____ or failing him/her
- 2) _____ of _____ having e-mail ID _____ or failing him/her
- 2) _____ 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 Monday, 12th August 2024, at 4.00 p.m. at Hotel The Fern Residency, President Hall, 6/1, Tumkur Main Road, next to Sparsh Hospital, Yeshwanthpur Industrial Area, Phase 1, Yeswanthpur, Bengaluru- 560022, 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, 2024 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 2024.		
3	To appoint a Director in place of Mr. Rohit Choraria, DIN: 07003583, who retires by rotation and being eligible, offers himself for re-appointment.		
4	To re-appoint Mr. Uddhav Kanoria, DIN:00108909 President and Whole-time Director of the Company		
5	To re-appoint Mr. Rakesh Kanyadi, DIN:08532438 Non-Executive & Non- Independent Director of the Company		
6	To appoint Mrs. Rani Shokeen, DIN: 10634071, as Independent Director		
7	Appointment and ratification of remuneration of Cost Auditors of the Company for the Financial Year 2024-25		

Signed this day of August, 2024.

Affix Revenue
Stamp of not
less than ₹ 1/-

Signature of Shareholder

Signature of Proxy holder (s)

Notes:

- 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.
- Please complete all details of Member(s) before submission.



BOARD'S REPORT

To the Members,

Your Directors are pleased to present the 101st Annual Report of the Company and the Audited Financial Statements for the year ended 31st March 2024.

1. FINANCIAL HIGHLIGHTS

(All figures are ₹ in Lakhs)

Particulars	Financial year 2023-24	Financial year 2022-23
Revenue from Operations	9520	10,251
Other Income	464	759
Profit before Depreciation, Tax and Exceptional item	-914	-3,685
Depreciation and Amortisation	315	334
Exceptional Item	0	29,127
Provision for Tax	12	6,014
Profit / (Loss) for the year	-1234	19,094

2. SHARE CAPITAL

- Authorized Share Capital- The authorised share capital of the Company as on 31st March, 2024 is ₹2,00,00,000/- (Rupees Two Crores Only) divided into 20,00,000 equity shares of ₹10/- (Rupees Ten Only) each. During the financial year under review, there is no change in the authorised share capital of the Company.
- Issued, Subscribed and Paid-up Share Capital - The issued, subscribed and paid-up share capital of the Company as at 31st March 2024 is ₹1,23,33,820/- (Rupees One Crore Twenty Three Lacs Thirty-three Thousand Eight Hundred and Twenty Only) comprising of 12,33,382 equity shares of ₹ 10/- (Rupees Ten Only) each. Previous year 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."

During the year, Board of Directors of the Company in the Meeting held on 14th July 2023, approved the buyback of shares proposed by the Company at ₹3100 per share. A total of 58,118 equity shares have been bought back by the company in the second quarter of FY 2023-24 (face value ₹10/- per share and Share premium of ₹ 30 per share). The offer size of the buy-back was 4.5% of the total issued and paidup Equity Share capital of the Company, as on 31st March 2023.

The total value of such buyback was ₹18,01,65,800/-, and the total amount available for distribution after deduction of costs was ₹17,78,41,080/-. The settlement payment of buyback consideration was made on 14th August 2023 and the shares were extinguished on 17th August 2023.

3. COMPANY'S PERFORMANCE

Your Company's revenue from sales and operating income is ₹ 9,520 Lakhs (₹10,251 Lakhs last year). Net Profit/Loss for the year is ₹ -1,234 Lakhs (₹19,094 Lakhs last year including the amount of exceptional item) .

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

4. DIVIDEND

The Directors of your Company recommend a dividend of ₹ 1.50 per equity share of ₹10/- each, @15% for the Financial year ended 31st March 2024, subject to the approval of the members,

payable to those shareholders whose names appear in the Register of Members as on the record date.

5. TRANSFER TO GENERAL RESERVE

Your Directors do not propose to transfer any amount to the reserves.

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. ACRA Accounting and Corporate Regulatory Authority of Singapore approved the Strike off on 23rd October 2023.

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 March 31, 2024, the Company has nine Directors with an optimum combination of Executive and Non-Executive Directors including one women director.

The Board comprises of six Non-Executive Directors, out of which three are Independent Directors and one Nominee Director.

During the year, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on 9th May 2023, appointed Mrs. Jayashree V Ranade DIN:09320683 as Nominee Director in place of Mrs. Girija Subramaniam DIN:09196957. Mr. Rohit Choraria DIN:07003583 was appointed as Non-Executive Director. Their appointment was approved by the shareholders at the 100th Annual General Meeting.

Mr.Harshwardhan Murarka Chief Financial Officer of the Company resigned with effect from 27th October 2023. The Board accepted the resignation and Nomination and Remuneration Committee recommended to re-designate Mr. Nirbhay Abhay Kanoria DIN:02558300 from the designation of President and Whole Time Director to President & Director and

Chief Financial Officer of the Company with effect from 18th January 2024.

Mrs. Neha Rajen Gada DIN: 01642373 and Mr. Sanatkumar Shirali DIN: 05260386 resigned from the Independent directorship of the Company with effect from 12th February 2024. The resignation was mainly on account of personal reason and other professional commitments. They have confirmed that there were no other material reasons for the resignation.

Nomination and Remuneration Committee, recommended the Board, to appoint Mr. Pradeep Vasantrao Joshi DIN: 02713934 and Mr. Srinivasan Krishnan DIN: 08709528 as an Additional Directors (Non-Executive & Independent) on the Board of the Company w.e.f. 12th February 2024 to 11th February 2029 for the first term up to five consecutive years and subject to the approval of the members through Postal Ballot.

Postal Ballot was conducted and on 23rd March 2024, shareholders had approved with 99.99% vote for the appointment of Mr. Pradeep Vasantrao Joshi DIN: 02713934 and Mr. Srinivasan Krishnan DIN: 08709528 as Independent & Non-Executive Directors of the Company.

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 (LODR)) Regulations, 2015.

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. Rohit Choraria 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, except Mr. Rakesh Kanyadi, no other Non-Executive directors of the Company had any pecuniary relationship or transactions with the Company, other than sitting fees with related expenses incurred for attending meetings of the Company.

Pursuant to the provisions of Section 203 of the Act, Mr. Abhay Kanoria CMD, Mr. Uddhav Abhay Kanoria Whole Time Director, Mr. Nirbhay Abhay Kanoria Chief Financial Officer and Mrs. Sriee Aneetha M. Company Secretary are the Key Managerial Personnel of the Company as on March 31, 2024.

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 12th February 2024, 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. BOARD MEETINGS:

During the Financial year 2023-24, Company held 7 Board Meetings on 09th May 2023, 20th June 2023, 14th July 2023, 11th August 2023, 09th November 2023, 18th January 2024 and 12th February 2024.

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 present at all the meetings.

14. AUDIT COMMITTEE:

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report, which is a part of this report.

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 28th May 2024, has approved the appointment of M/s. 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 2024-25.

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 28th May 2024 have appointed Mr. Raghavendra Naveen B K, Practising Company Secretary M.No.59814 CP No.23728,, for conducting the Secretarial Audit of the Company for the Financial Year 2024-25.

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 2023-24. The Secretarial Audit report issued by M/s. Swaroop Suri & Associates, Practising Company Secretary for the financial year ended 31st March, 2024 does not contain any adverse remark or qualifications and is annexed as Annexure V to this report.

d. Internal Auditor:

M/s B Choraria & Mates., Chartered Accountants, were appointed as the Internal Auditors of the Company for the Financial Year 2024-25.

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 2023-2024.

15. CORPORATE GOVERNANCE

The Corporate Governance Report applicable from the Financial year 2023-24 to the Company in accordance with SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015. The same forms part of this report as per Annexure - VI

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 behaviour, 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 cGMP, efficient and trained personnel, excellent production design and continuous in process 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 - I.

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, 2024 was 211 as against 334 as on 31st March, 2023.

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 II 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 III 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: Mrs.Sreee Aneetha.M – Company Secretary and Compliance Officer

Address: Plot 4, Phase II, Peenya Industrial Area, Peenya, Bengaluru – 560 058.

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, 2024, 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

Annual Report on CSR for the Financial Year ended 31st March 2024, is annexed herewith as Annexure IV.

35. GREEN INITIATIVES

Electronic copies of the Annual Report 2023-2024 and the notice of the 101st 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,

Place: Mumbai
Date: 28th May 2024

Abhay Kanoria
Chairman & Managing Director
(DIN: 00108894)

ANNEXURE - I**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 2024, 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 2024, 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 27th Feb 2024
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Rent Mr. Abhay Kanoria – ₹ 13/- Lakhs pa Rent Mrs. Pallavi Kanoria- ₹ 13/- Lakhs pa
5.	Date of approval by the Board	09th May 2023
6.	Amount paid as advances, if any	Nil

On behalf of the Board of Directors,

Place: Bengaluru
Date: 28th May 2024

Abhay Kanoria
Chairman & Managing Director
DIN: 00108894



ANNEXURE II

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 2023-24 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial year 2023-24.

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 2023- 2024
Directors			
Mr. Abhay Kanoria	Chairman & Managing Director	19.65	1.74%
Mr. Uddhav Kanoria	President & Whole-Time Director	13.41	1.35%
Mr. Nirbhay Kanoria	President & Whole-Time Director	10.89	1.68%
Mr. Rakesh Parmeshwar Kanyadi	Non-Executive Director	6.93	6.72%
Mr. Sanat Shirali	Independent Director	Nil	Nil
Mr. N. Ahmedali	Independent Director	Nil	Nil
Mrs. Jayashree V Ranade	Nominee Director	Nil	Nil
Mrs. Neha Gada	Independent Director	Nil	Nil
Mr. Rohit Choraria	Non-Executive Director	Nil	Nil
Key Managerial Personnel			
Mr. Harshwardhan Murarka	Chief Financial Officer up to 27th Oct 2023	Nil*	Nil*
Mrs. Sree Aneetha M W.e.f.: 01st Aug 2022	Company Secretary & Compliance Officer	Nil**	Nil**

Remuneration does not include commission for the financial year 2023-2024.

* Mr. Harshwardhan Murarka CFO resigned on 27th October 2023 and hence the remuneration received in FY 2023-24 is not comparable with previous year and therefore the percentage is not stated.

**Mrs. Sree Aneetha M was appointed as Company Secretary w.e.f 01st August 2022 and hence the remuneration received in FY 2023-24 is not comparable with previous year and therefore the percentage is not stated.

Notes:

- The Independent Directors and Nominee Director paid only Sitting Fees for attending the Board /Committee Meetings.
- For the purpose of calculation of median remuneration, employees who have worked for part of the year were not considered.
- The percentage increase in the median remuneration of employees in the financial year was 10.88%. For said calculation, employees who have worked for part of the year in FY 2023-24 were not considered to ensure comparability.
- The number of permanent employees on the rolls of Company as on 31st March, 2024 was 211.
- 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 2023-24.
- The average annual increase in the salaries of the employees during the year was 4.26% whereas increase in managerial remuneration for the year was Nil.
- 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 III

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 2024.

A. CONSERVATION OF ENERGY:

- | | | |
|--|---|---|
| <p>a) Energy conservation measures taken</p> <p>b) Additional investments and proposals, if Any, being implemented for reduction of Consumption of energy.</p> <p>c) Impact of the measures at (a) and (b) For reduction of energy consumption and consequent impact on the cost of Production of goods.</p> | } | <p>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 has above not been immediately felt.</p> |
| <p>d) Total energy consumption and energy Consumption per unit of production.</p> | } | <p>Please refer Form A hereunder.</p> |

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	1153755	1075073
	Total Amount [₹ in Lacs]	114	103
	Rate/Unit [₹]	9.90	9.63
b)	Own Generation:		
I.	Through Diesel Generator		
	Units	3210	7430
	Units per Ltr. of Diesel Oil	2.29	2.88
	Cost/Unit [₹]	37.78	29.79
II.	Through Steam Turbine/Generator		
	Units		
	Units per Ltr. of Fuel Oil/Gas	Nil	Nil
	Cost/Unit [₹]		
2.	Coal		
	Quantity (tonnes)		
	Total Cost [₹]	Nil	Nil
3.	Furnace Oil	Current Year	Previous Year
	Quantity (Kilts)	Nil	Nil
	Total Amount [₹ in 'Lacs]	Nil	Nil
	Average Rate [₹ per Ltrs]	Nil	Nil
4.	Others/internal generation		
	Quantity		
	Total Cost	Nil	Nil
	Rate/Unit		

B. Consumption per unit of Production:

Particulars	Standard [if any]
Products (with details)	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.
Units	
Electricity	
Furnace Oil	
Coal	
Others	



B. 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	Nil
(b)	Recurring [₹ in 'Lacs]	28	39
(c)	Total [₹ in 'Lacs]	28	39
(d)	Total R&D expenditure as a percentage of total turnover	0.29%	0.38%

Technology absorption, adaptation and innovation

1. Efforts in brief made towards technology absorption, : Regular absorption of updated technical information.
adaptation and innovation
2. Benefits derived as a result of the above efforts e .g. product : Improved processes and operating efficiencies, cost reduction.
improvement, cost reduction, product development, import substitution, etc.
3. In case of imported technology (imports during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.
 - a) Technology imported : Not Applicable
 - 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.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) Activities relating to exports, initiatives taken to : Continuous efforts are made to increase exports and develop new
increase exports, development of new export markets export markets.
for products and services and export plans.

		Current Year	Previous Year
b)	Total foreign exchange used (₹ in lacs)	73	101
	Total foreign exchange earned (₹ in lacs)	1139	706

On behalf of the Board of Directors,

Date: 28th May, 2024
Place: Bengaluru

Abhay Kanoria
Chairman & Managing Director
DIN: 00108894

ANNEXURE-IV

Annual Report on CSR Activities for the financial year ended 31st March 2024

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:

S I . 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 Up to 12th Feb 2024 *	Chairperson, Independent Director	1	1
2	Mr. Uddhav Kanoria	Member, Director	1	1
3	Mr. Nirbhay Kanoria	Member, Director	1	1

Note: During the Financial year 2023-24, the meeting of CSR Committee was held on 12th February 2024.

* Mrs.Neha Gada Independent Director resigned from the Board and Committees of the Company w.e.f 12th February 2024.

Mr. Srinivasan Krishnan Independent Director was appointed as Chairman of CSR Committee of the Company w.e.f 12th February 2024.

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 - <https://www.afdil.com/investor-relations.html#>

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 is 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) - ₹(10,681) Lakhs

7. (a) Two percent of average net profit of the company as per section 135(5)- ₹ (214) 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) – **Nil**

8. (a) CSR amount spent or unspent for the financial year 2023-24: **Nil**

Total Amount Spent for the Financial Year. (in ₹)	Amount unspent (in ₹)				
	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 ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to unspent CSR account for the project as per Section 135(6) (in ₹)	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**

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

Srinivasan Krishnan
Chairperson of CSR Committee

Abhay Kanoria
Chairman & Managing Director
DIN: 00108894

Date: 28th May 2024
Place: Bengaluru

**ANNEXURE – V
FORM No. MR-3**

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

(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 and Industries 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 information provided by the Company, its officers, agents and authorized representatives during the 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 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-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 other records maintained by the Company for the financial year ended on 31st March 2024 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 made thereunder;
- (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 Shares and Takeovers) Regulations, 2011;
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018;
 - f. The Securities and Exchange Board of India (Buyback of Securities) 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 employees during 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;
- (vii) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (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 systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, Rules and Regulations to the Company. I have also examined compliance with the 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 of India;
- ii) Guidance note on ICSI Auditing Standards CSAS 1 to CSAS 4;
- iii) Listing Agreement entered into with the Metropolitan Stock Exchange of India Limited.

I further report that:

- (i) The Board of Directors of the Company is duly constituted with proper composition of 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 impact on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

- a) Adopted new set of Articles of Association of the Company in accordance with Companies Act, 2013
- b) Buy-back of Equity Shares from the existing Shareholders of the Company.
- c) Conducted postal ballot for appointment of Mr. Srinivasan Krishnan DIN: 08709528 and Mr. Pradeep Joshi DIN: 02713934 as Directors (Independent nature).

This Report is to be read with our letter of even date which is annexed as Annexure A 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 : 24.05.2024

Swaroop S

Proprietor

FCS No. 8977 CP No. 9997

UDIN : F008977F000441046

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, standards and 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 : 24.05.2024

Swaroop S

Proprietor

FCS No. 8977 CP No. 9997

UDIN : F008977F000441046

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 Specialities.

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 Injectable 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.

In 1996 a tableting only facility was established in Peenya Industrial Estate. In 2024 this facilities were upgraded to be PIC/S compliant.

COMPANY AND DIVISION WISE PERFORMANCE

At AFDIL, we are committed to our Vision of "Reaching People and Touching Lives Globally as a Leading Provider of Valued Medicines." We strive to achieve this vision through a well-defined strategy that focuses on sustainable growth, cost leadership, business development, balanced investments and future profitability.

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.

All our businesses are well-positioned, and we expect high-single-digit consolidated top line growth for FY24-25. The expansion of our global specialty business is expected to continue. As business operations have normalised globally, overall expenses are expected to increase. Our R&D spending is expected to be about 7-8% of sales in FY24-25 with an increasing share of spending expected on clinical trials for specialty/Generic products.

AFDIL currently has the following divisions:

- **Manufacturing** – We are continuing to provide world-class tablet manufacturing and are contract manufacturing for many other companies.
- **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. In 2024 with the upgraded plant we will also be selling to PIC/S countries.

- **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.
- **Franchisees** – Targeting smaller towns and harder to reach places AFDIL has franchised out some of its brands to independent distributors and sellers. This business is expected to grow at over 100% year on year.

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 Indian pharmaceutical industry has been experiencing steady growth with a focus on generic medicines. It is expected that spending on pharmaceuticals in India will continue to increase, with a CAGR of 7.5-10.5% between 2023-27 to reach US\$ 35-39 Billion annually. The industry's continued focus on generics is a key factor to its growth, as they are typically priced lower than scheduled medicines. The industry's low-cost structure and its ability to produce large quantities of medicines have also made it a key player in the global pharmaceutical market.

Active Pharmaceutical Ingredients (APIs): The global market for Active Pharmaceutical Ingredients (APIs) has been growing steadily and is expected to continue growing from US\$ 210 Billion to reach US\$ 292 Billion by 2027, at a CAGR of 5.64% during 2021-27.

Consumer Healthcare (CHC) Market: The consumer health industry has demonstrated impressive resilience throughout the past three years of the COVID-19 pandemic. Despite the challenges posed by the outbreak, the industry has maintained steady growth, with categories such as Vitamins, Minerals, and Supplements (VMS) stepping up to compensate for the shortfalls in Cold/flu and Pain categories during periods of lockdown and social distancing. The global consumer healthcare market was valued at \$280.1 billion in 2022, and is projected to reach \$574.4 billion by 2032, growing at a CAGR of 7.5% from 2023 to 2032.

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.

Efficiency improvement : Our focus has always been on sustainable cost reduction via technology interventions and process enhancements. We are also directing our efforts to reduce working capital deployment across our businesses. Sustained efforts are being made to further improve our manufacturing efficiencies, optimise our manufacturing footprint and reduce overall fixed costs.

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.50

Debtors Turnover Ratio : For the FY23-24 is 0.53 with Variance 16.97% changes due to reduction in Sales.

Inventory Turnover (no of days): For the FY23-24 is 0.15 with Variance (51.43)% changes on account of increase in Inventory

Current Ratio (in times): For the FY23-24 is 5.45 with Variance (15.81)% changes on account of utilisation of funds from investment for various activities (buyback, Dividend & Tax thereon)

Debt Equity Ratio (in times) : For the FY23-24 is 0.05 with Variance (57.70)% changes on account of repayment of HDFC LAP/ Intercompany Deposits and reduction in working capital limits.

Net Profit Margin (%): For the FY23-24 is 0.13 with Variance (107.31)% changes due to loss incurred during the year.

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 based 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.

ANNEXURE - VI

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Anglo-French Drugs & Industries Limited commenced its operations in India in 1923, by importing and selling pharmaceutical products. 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 specialities.**

The Company has a strong legacy of believing in sound corporate practices, based on transparency, accountability and high level of integrity, which forms an essential part in the functioning of the Company and increasing the long-term enhancement of stakeholders' value & interest. The Company believes that its actions must result in enhancing corporate performance by maximizing stakeholders' value and also in motivating work force. We, as a Company, have always focused on 'best-in-class' Corporate Governance practices, which is a key driver for sustainable corporate growth and long-term value creation for our stakeholders. Through the Governance mechanism in the Company, the Board along with its Committees undertakes its fiduciary responsibilities towards all its stakeholders by ensuring transparency, fair play and independence in its decision making. The Company's Policies are an extension of its values and reflect its commitment to ethical business practices, integrity and regulatory compliances.

The Company has won Quality Excellence award three times from Indian Drug Manufacturers Association, Presently, the Company manufactures and markets a wide range of pharmaceutical products in the Therapeutic groups of Vitamins, Sleep inducing Agents, Anti-Malarial, Anti-epileptics, Antibiotics, Cardiac drugs, Cold Remedies, Anti-ulcer GRD (Gastoesophageal reflex disease) Hematinic (iron syrup) anti-fungal and oral hypoglycemic etc.,. The Company is also adding 4 to 6 new products every year.

2. Board of Directors

As on 31st March 2024, the Company had 9 Directors, comprising 5 Non-Executive Directors, 3 Executive Directors and one Nominee Director.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other public companies as on 31st March 2024 are given herein below. Other Directorships do not include Alternate Directorships and directorships in private limited companies, foreign Companies and companies under Section 8 of the Act. Chairmanships / Memberships of Board Committees only include Audit Committee and Shareholders' Relationship Committee.

Name of the Director	Category	No. of Board Meetings Attended	Attended Last AGM	No. of other Directorships and Committee positions held in other listed companies		
				Director	Committee Member	Committee Chairman
Mr. Abhay Kanoria DIN: 00108894	Executive	6	Yes	-	-	-
Mr. Uddhav Kanoria DIN:00108909	Executive	6	Yes	-	-	-
Mr. Nirbhay Kanoria DIN:02558300	Executive	6	Yes	-	-	-
Mr. Ahmedali Nalagath DIN:00704341	Independent Non-Executive	7	No	-	-	-
Mr. Sanathkumar Shirali DIN:05260386 *	Independent Non-Executive	6	Yes	-	-	-
Mrs. Neha Rajen Gada DIN:01642373 *	Independent Non-Executive	6	Yes	4 ^	3^^	1^^^
Mr. Rakesh Kanyadi DIN:08532438	Non-Executive	7	Yes	-	-	-
Mr. Rohit Choraria DIN:'07003583 #	Non-Executive	5	Yes	-	-	-
Mrs. Jayashree Ranade DIN:09320683##	Non-Executive	6	Yes	-	-	-
Mr.Pradeep Joshi DIN: 02713934 \$	Independent Non-Executive	1	NA	-	-	-
Mr.Srinivasan Krishnan DIN: 10634071\$	Independent Non-Executive	1	NA	-	-	-
Mr.Girija Subramanian DIN:0919695@@	Nominee Director	-	NA	-	-	-

* Mr.Sanathkumar Shirali and Mrs.Neha Gada resigned as Independent Director at the Board Meeting held on 12th February 2024. Both the Director confirmed that, there were no material reasons other than professional commitments and personal reason.



^ Mrs. Neha Gada was in Board of :

M/s.Sejal Glass Limited as Non-Executive Independent Director

M/s. Asian Star Company Limited as Non-Executive Independent Director

M/s. Aarti Drugs Limited as Non-Executive Independent Director and

M/s.Tamboli Industries Limited as Non-Executive Independent Director

^^ Mrs.Neha Gada was Member of Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee in M/s.Sejal Glass Limited.

^^^ Mrs.Neha Gada was Chairman of Audit Committee in M/s.Tamboli Capital Limited.

Mr. Rohit Choraria was appointed as Non-Independent and Non-Executive Director at the Board Meeting 09th May 2023.

Mrs. Jayashree V.Ranade representative of General Insurance Corporation of India (GIC) was appointed as Nominee Director at the Board Meeting 09th May 2023. GIC had 3.48% Equity share of the Company. There were no other Financial transactions.

@@ Mrs.Girija Subramaniam representative of General Insurance Corporation of India (GIC) ceased to be Nominee Director from 09th May 2023 due to retirement.

\$ Mr. Pradeep Joshi and Mr.Srinivasan Krishnan were appointed as Independent Non-Executive Directors at the Board Meeting held on 12th February 2024. Board confirms that Independent Directors fulfill the conditions specified in SEBI(LODR) regulations and are independent of the management.

None of the Directors on the Board hold directorships in more than eight public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director.

Mr. Abhay Kanoria, Mr. Uddhav Kanoria and Mr. Nirbhay Kanoria are the Directors on the Board who are related to each other.

Seven Board meetings were held during the year 2023-24. The Board meetings were held 09th May 2023, 20th June 2023, 14th July 2023, 11th August 2023, 09th November 2023, 18th January 2024 and 12th February 2024. The information and declarations as required in terms of Listing Regulations is being regularly placed before the Board.

As on 31st March 2024, Non-Executive Directors Mr.Rohit Choraria holds 450 Equity Shares of the Company. None of the other Non-Executive Directors hold shares in the Company.

The details of the familiarization programs for Independent Directors are available on the website of the Company www.afdil.com.

Skills / Expertise / Competence identified by the of the Board of Directors:

The Board has identified the following skills/ expertise/ competencies as required for the effective functioning of the Company which are currently available with the Board:

Name of the Director	Area of skills / expertise / competence						
	Strategy	Finance	Leadership	Technical	HR	Governance	Business Development
Mr. Abhay Kanoria	√	√	√	√	√	√	√
Mr. Uddhav Kanoria	√	√	√	√	√	√	√
Mr. Nirbhay Kanoria	√	√	√	√	√	√	√
Mr. Ahmedali Nalagath	√	√	√	√	√	√	√
Mr. Sanathkumar Shirali	√	√	√	√	√	√	√
Mrs. Neha Gada	√	√	√	√	√	√	√
Mr. Rakesh Kanyadi	√	-	√	√	-	√	-
Mr. Rohit Choraria	√	√	√	√	-	√	-
Mrs. Jayashree Ranade	√	√	√	-	-	√	√
Mr.Pradeep Joshi	√	√	√	√	-	√	√
Mr.Srinivasan Krishnan	√	√	√	√	-	√	√

3 AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act. The Audit Committee assists the board in the dissemination of financial information and in overseeing the financial and accounting processes in the company.

The terms of reference of the Audit Committee covers all matters specified in Regulation 18(3) Part C of SEBI Listing Regulations and in concurrence with Section 177 of the Act 2013. The terms of reference broadly include review of internal audit reports and action taken on reports, assessment of the efficacy of the internal control systems/ financial reporting systems and reviewing the adequacy of the financial policies and practices followed by the Company. The Audit Committee reviews the compliance with legal and statutory requirements, the quarterly and annual financial statements and related party transactions and reports its findings to the Board. The Committee also recommends the appointment of internal and statutory auditor. The Audit Committee takes note of any default in the payments to creditors and debtors. The Committee also looks into those matters specifically referred to it by the Board.

The Audit Committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.,

During the year 2023-24, Audit Committee had 4 meetings 09th May 2023, 11th August 2023, 09th November 2023 and 12th February 2024. The composition of the Audit Committee and the details of meetings attended by its members are as follows:

Name of the Director	Category	No. of Meetings Attended
Mr. Ahmedali Nalagath - Chairman	Independent Non-Executive	4
Mr. Sanathkumar Shirali - Member	Independent Non-Executive	3
Mrs. Neha Rajen Gada - Member	Independent Non-Executive	4
Mr. Abhay Kanoria - Member	Executive	4

4 **NOMINATION AND REMUNERATION COMMITTEE**

The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.

The broad terms of reference of the Nomination and Remuneration Committee are to recommend to the Board the setup and composition of the Board and its committees, the appointment or reappointment of Directors, the appointment of KMP, and the remuneration payable to Directors, considering criteria such as industry benchmarks, financial performance of the Company, performance of the respective Director, etc..

During the year 2023-24, Nomination and Remuneration Committee had 3 meetings 09th May 2023, 18th January 2024 and 12th February 2024. The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are as follows:

Name of the Director	Category	No. of Meetings Attended
Mr. Ahmedali Nalagath - Chairman	Independent Non-Executive	3
Mr. Sanathkumar Shirali - Member	Independent Non-Executive	3
Mrs. Neha Rajen Gada - Member	Independent Non-Executive	3
Mr. Abhay Kanoria - Member	Executive	2

Performance Evaluation criteria for Independent Directors:

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of performance and judgment. Independent Director meeting held on 12th February 2024.

5 **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Act.

The broad terms of reference of the Stakeholders' Relationship Committee are to look into the redressal of investors' complaints in connection with transfer of shares, non-receipt of annual reports, non-receipt of declared dividends, etc. In addition, the Committee also looks into matters which can facilitate services and relations with the investors.

During the year 2023-24, the Stakeholders' Relationship Committee met one time 12th February 2024. The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are as follows:

Name of the Director	Category	No. of Meetings Attended
Mr. Ahmedali Nalagath - Chairman	Independent Non-Executive	1
Mr. Sanathkumar Shirali - Member	Independent Non-Executive	1
Mr. Uddhav Kanoria - Member	Executive	1
Mr. Nirbhay Kanoria - Member	Executive	1

Mrs. Sriee Aneetha M, Company Secretary, is the Compliance Officer of the Company, and shareholders may contact her for any clarification / complaint at the Registered Office of the Company.

There were no shareholders' complaints outstanding as on April 1, 2023 and as on March 31, 2024. During the year all the requests for dematerializations were approved by the Company. No valid transfer / transmission of shares was pending as of 31st March 2024.

5A **RISK MANAGEMENT COMMITTEE**

In terms of Regulation 21 of SEBI (LODR) Regulations, 2015, the provision of the said Regulation 21(5) is not applicable to the company for the financial year 2023-24.



5B SENIOR MANAGEMENT

The particulars of senior management as per Regulation 16(1) (d) of the Listing Regulations during the Financial Year 2023-24 are as follows:

Mr.Abhay Kanoria	Chairman and Managing Director
Mr.Uddhav Kanoria	President and Whole-Time Director
Mr.Nirbhay Kanoria	President and Whole-Time Director- up to 18th January 2024 President, Director & Chief Financial Officer from 18th January 2024
Mr.Harshwardhan Muraka	Chief Financial Officer – up to 27th October 2023
Mrs. Sriee Aneetha M	Company Secretary and Compliance Officer

6 REMUNERATION OF DIRECTORS

Pursuant to the requirements of the Companies Act, 2013 and Part D(A)(1) of Schedule II to SEBI (LODR) Regulations 2015, the Board has, on the recommendation of the Nomination & Remuneration Committee, framed a Remuneration Policy for its Directors, considering particularly the following, amongst other things:

Remuneration to the Executive Directors:

The remuneration of the Managing / Whole-time / Executive Director(s) is decided by the Nomination & Remuneration Committee (NRC), based on the criteria such as industry benchmarks, Company's performance vis-à-vis Industry performance / track record of the Managing / Whole-time / Executive Director(s) and the same is recommended to the Board of Directors. The Company pays remuneration by way of salary, perquisites & allowances (fixed component), Performance Incentive, specifically computed for this purpose, as per the provisions of Section 198 of the Companies Act, 2013, to all / each of its Whole-time / Executive Director(s), as may be recommended by NRC and approved by the Board, such that the total remuneration (including commission / bonus, if any), as decided by the Board of Directors in its absolute discretion, does not exceed the limits prescribed under Section 197 and Schedule V to the Companies Act, 2013. In case of inadequate or no profits, remuneration is paid, subject to the provisions of the Act and / or approval of the shareholders.

Further, the annual increments are recommended by the Nomination & Remuneration Committee within the salary scale of each of the Executive Directors. The terms of remuneration are approved by the Shareholders at the Annual General Meeting and are effected in the individual Agreements, executed with the respective Executive Directors.

Remuneration to the Non-Executive Directors:

As required under Schedule V(C)(6)(b) to SEBI (LODR) Regulations 2015, the Company has uploaded the criteria for payment of Remuneration to the Non- Executive Directors onto the website of the Company, at the following web link:www.afdil.com/Investors

The summary of the remuneration paid / payable to all the Directors for FY 2023-24 is given below:

₹ in Lakhs

Sl. No.	Name of the Director	Salary*	Benefits (Perquisites)	Commission	Sitting Fees	Total
1	Mr.Abhay Kanoria	47.23	29.33	-	-	76.56
2	Mr.Uddhav Kanoria	28.80	19.20	-	-	48.00
3	Mr.Nirbhay Kanoria	23.40	15.86	-	-	39.26
4	Mr. Ahmedali Nalagath	-	-	-	3.20	3.20
5	Mr. Sanath Shirali	-	-	-	2.80	2.80
6	Mrs.Neha Gada	-	-	-	3.00	3.00
7	Mr.Rakesh Kanyadi	7.14	22.86	-	1.40	31.40
8	Mrs. Jayashree Ranade	-	-	-	1.00	1.00
9	Mr.Rohit Choraria	-	-	-	1.00	1.00

* Fixed Component

Notes:

- The Agreement with the Whole time Directors is for a period of 03 (three) years. Either party to the Agreement is entitled to terminate the Agreement by giving 03 (three) months' notice to the other party, as mentioned in the Agreement.
- The Company does not have any stock option scheme for its Directors or employees.
- Severance fees: NIL

7 GENERAL BODY MEETINGS

Required details of last three Annual General Meetings (AGMs), are as below:

AGM/EGM	Date & Time	Venue	Special Resolution(s)
EGM-2023-24	14th July 2023 at 4.00 pm	Plot No.4, Phase II, Peenya Industrial Area, Peenya, Bangalore 560058.	To Adopt new Articles of Association in accordance with Companies Act, 2013.
100th AGM	03rd August 2023 at 4:30 pm		1. Re-appointment of Mr.Abhay Kanoria DIN:00108894 as Chairman and Managing Director of the Company, together with revision of Remuneration. 2. Re-appointment of Mr.Nirbhay Abhay Kanoria DIN:02558300 as President and Whole Time Director of the Company, together with revision of Remuneration. 3. Revision of Remuneration to Mr. Uddhav Abhay Kanoria DIN:00108909 President and Whole Time Director of the Company.
99th AGM	10th August 2022 at 4:30 pm		No Special Resolution was passed in this meeting.
98th AGM	13th August 2021 at 4:30 pm		1. Re-appointment of Mr. Uddhav Abhay Kanoria DIN:00108909 as President and Whole Time Director of the Company, together with revision of Remuneration. 2. Re-appointment of Mrs.Neha Gada DIN:01642373 as Independent Director. 3. Re-appointment of Mr. Sanatkumar Shirali DIN:05260386 as Independent Director. 4. Appointment of Mr.Rakesh Kanyadi DIN:08532438 as Non-Executive Director of the Company.
All the special resolutions, moved in the previous 03 (three) Annual General Meetings were passed by the majority of the Members present & voted at the Meeting / remotely e-voted before the Meeting.			

POSTAL BALLOT :

- a. Details of Resolutions passed by Postal Ballot : During the Financial year 2023-24, the Company had sought approval of its shareholders by way of Postal Ballot through remote e-Voting process, vide Notice dated 12th February 2024, on the following Resolution(s):

- Appointment of Mr.Srinivasan Krishnan DIN: 08709528 as an Independent Director – Special Resolution.
- Appointment of Mr.Pradeep Joshi DIN: 02713934 as an Independent Director – Special Resolution.

b. **Details of e-voting:**

Description of the Resolution	Votes in favour of the Resolution(s)		Votes against of the Resolution(s)		Invalid
	No. of votes cast	% of total valid votes cast	No. of votes cast	% of total valid votes cast	
Appointment of Mr.Srinivasan Krishnan DIN: 08709528 as an Independent Director	832940	99.9908	77	0.0092	Nil
Appointment of Mr.Pradeep Joshi DIN: 02713934 as an Independent Director	832940	99.9908	77	0.0092	Nil
The resolutions were passed with the requisite majority on 23rd March 2024 (being the last date of remote e-Voting), and the results of which were announced on 23rd March 2024.					

c. **Person who conducted the aforesaid postal ballot exercise:**

The Board of Directors had appointed Mr. Swaroop .S, Practising Company Secretary, (FCS No. 8977; CP 9997) of M/s. Swaroop Suri and Associates, as the Scrutinizer to conduct the Postal Ballot only through the remote e-Voting process and for scrutinizing the votes cast therein, in a fair and transparent manner.

d. **Procedure for Postal Ballot:**

In compliance with the provisions of Sections 108 and Section 110 and other applicable provisions of the Act, read with the Rules framed thereunder and the General Circular Nos. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, 10/2021 dated 23rd



June 2021, 03/2022 dated 5th May 2022, 11/2022 dated 28th December 2022, 09/2023 dated 25th September 2023 and other relevant circulars and notifications issued by the Ministry of Corporate Affairs, the Company provided only remote e-Voting facility to its Equity Shareholders to enable them to cast their votes electronically instead of submitting the Postal Ballot form. The Company engaged the services of NSDL for facilitating remote e-Voting to enable the Members to cast their votes electronically.

The Company sent the Postal Ballot Notice in electronic form only to those Equity Shareholders whose names appeared in the Register of Members/List of Beneficial Owners as received from NSDL and CDSL and whose e-mail addresses were available with the Company/Depositories/the Depository Participants/the Company's Registrar and Share Transfer Agent as on the cut-off date. Voting rights were reckoned on the paid-up value of the shares registered in the names of the Members as on the cut-off date i.e., Friday, 16th February 2024. Members who desired to exercise their votes by electronic mode were requested to vote before close of business hours on the last date of e-Voting.

The Scrutinizer, after the completion of scrutiny, submitted his report and the consolidated results of the Postal Ballot through remote e-Voting were announced by the Company Secretary on 23rd March 2024. The results are displayed on the website of the Company, www.afdil.com besides being communicated to the stock exchange, depository and Registrar and Share Transfer Agent. The resolutions are deemed to have been passed on 23rd March 2024, the last date specified for receipt of votes through remote e-Voting process.

- e. Details of special resolution proposed to be conducted through postal ballot:

As of the date of the Report, no special resolutions are proposed to be conducted through postal ballot.

8 MEANS OF COMMUNICATIONS:

The Company regularly publishes its Quarterly / Half-yearly & Annual Financial Results in newspapers, viz. Financial Express (English) & Udayakala (Kannada) and simultaneously uploads them onto the website of the Company: <https://www.afdil.com/>. Hence, the financial results are not sent / posted to the shareholders.

The Annual Report is e-mailed to those Shareholders, whose e-mail IDs are registered with the Company / RTA / DP and posted / sent / couriered to balance / other shareholders, who either do not have e-mail IDs or whose e-mail IDs are not registered with the Company / RTA / DP, or who have specifically requested for a physical copy. The Company has a designated e-mail id: compliance@afdil.com exclusively for investor relation, and the same is prominently displayed on the Company's website www.afdil.com. A separate dedicated section under "Investors", on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly / half yearly results and other relevant information of interest to the investors / public.

9 GENERAL SHAREHOLDER INFORMATION:

a	Day, Date and Time and Venue of Annual General Meeting	12th August 2024 at 4:00 pm at Hotel The Fern Residency, President Hall, 6/1, Tumkur Main Road, next to Sparsh Hospital, Yeshwanthpur Industrial Area, Phase 1, Yeswanthpur, Bengaluru- 560022.
b.	Financial Year (FY)	01st April 2023 – 31st March 2024
c.	Book Closure Date	03rd August 2024 to 12th August 2024 (Both days inclusive)
d.	Dividend Payment date	On or after 19th August 2024 (within the statutory time limit of 30 days) subject to Shareholders' approval at the AGM.
e.	Listing of Equity Shares on Stock Exchange and Listing fees	Metropolitan Stock Exchange of India Limited, Building A, Unit 205A, 2nd Floor, Piramal Agastya Corporate Park, L.B.S Road, Kurla West, Mumbai - 400 070 Listing fees as prescribed has been paid to the above stock exchange for the FY 2024-25.
f.	Scrip Code ISIN	INE570E01016
g.	Market Price data – high, low during each month in last Financial year.	Said Scrip is under Special Pre-Open Session(SPOS) Category as still Price Not Discovered
h.	Performance in Comparison	NA
i.	In case the securities are suspended from trading.	Nil
j	Registrar to an issue and share transfer agents	Canbank Computer Services Limited J P Royale, 1st Floor, No.218, 2nd Main, Sampige Road, (Near 14th Cross), Malleswaram, Bengaluru – 560003

k.	Share Transfer System : In terms of Regulation 40(1) of SEBI LODR, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialised form. Pursuant to SEBI Circular dated 25th January 2022, the listed companies shall issue the securities in dematerialised form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the Shareholders and shall be valid for a period of 120 days, within which the Shareholder shall make a request to the Depository Participant for dematerialising those shares. If the Shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. As on date Company did not have any shares to transfer to Suspense Escrow account. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.																																																									
l.	Distribution of shareholding as on 31st March 2024: <table border="1"> <thead> <tr> <th rowspan="2">Category (Shares)</th><th colspan="2">Shareholders</th><th colspan="2">Amount</th></tr> <tr> <th>Numbers</th><th>% to Total</th><th>In ₹</th><th>% to Total</th></tr> </thead> <tbody> <tr> <td>Up to 5,000</td><td>1,367</td><td>97.43</td><td>95,087</td><td>7.71</td></tr> <tr> <td>5,000 – 10,000</td><td>16</td><td>1.14</td><td>10,246</td><td>0.83</td></tr> <tr> <td>10,001 – 20,000</td><td>3</td><td>0.21</td><td>4,250</td><td>0.34</td></tr> <tr> <td>20,001 – 30,000</td><td>3</td><td>0.21</td><td>6,442</td><td>0.52</td></tr> <tr> <td>30,001 – 40,000</td><td>4</td><td>0.29</td><td>13,833</td><td>1.12</td></tr> <tr> <td>40,001 – 50,000</td><td>2</td><td>0.14</td><td>8,426</td><td>0.68</td></tr> <tr> <td>50,001 – 1,00,000</td><td>0</td><td>0.00</td><td>0</td><td>0.00</td></tr> <tr> <td>1,00,000 and above</td><td>8</td><td>0.57</td><td>10,95,098</td><td>88.79</td></tr> <tr> <td>TOTAL</td><td>1,403</td><td>100.00</td><td>12,33,382</td><td>100.00</td></tr> </tbody> </table>				Category (Shares)	Shareholders		Amount		Numbers	% to Total	In ₹	% to Total	Up to 5,000	1,367	97.43	95,087	7.71	5,000 – 10,000	16	1.14	10,246	0.83	10,001 – 20,000	3	0.21	4,250	0.34	20,001 – 30,000	3	0.21	6,442	0.52	30,001 – 40,000	4	0.29	13,833	1.12	40,001 – 50,000	2	0.14	8,426	0.68	50,001 – 1,00,000	0	0.00	0	0.00	1,00,000 and above	8	0.57	10,95,098	88.79	TOTAL	1,403	100.00	12,33,382	100.00
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m.	Dematerialization of Shares and Liquidity: As on 31st March 2024, 96.08% of the Company's Equity Capital was held in dematerialised form with NSDL and CDSL. Trading in equity shares of the Company is permitted only in dematerialised form with effect from 15th February 1999 as per the notification issued by the Securities and Exchange Board of India. Further, effective 1st April 2019, SEBI has amended Regulation 40 of the SEBI LODR, which deals with the transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.																																																									
n.	Outstanding GDR/ADR	Nil																																																								
o.	Commodity price risk or Foreign exchange risk	Nil																																																								
p.	Plant Location	Plot No.4, Phase II, Peenya Industrial Area, Peenya, Bangalore 560058.																																																								
q.	Address for Correspondence	Plot No.4, Phase II, Peenya Industrial Area, Peenya, Bangalore 560058.																																																								
r.	List of credit ratings	NA																																																								

10 Other Disclosures:
a. Related Party Transactions:

All transactions entered into with related parties as defined under the Act and Regulation 23 of SEBI Listing Regulations during the financial year were in the ordinary course of business. These have been approved by the Audit Committee. The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

b. 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.

c. Disclosures on materially significant related party transactions:

During the year under review, besides the transactions reported in Note 42 forming part of the financial statements for the year

ended 31st March 2024 in the Annual Report, there were no other material related party transactions of the Company with its Promoters, Directors or the Management or their relatives and subsidiaries, associate company and joint venture. These transactions do not have any potential conflict with the interest of the Company at large. All related party transactions are placed before the Audit Committee of the Board periodically and placed for Board's information if required. Further, there are no material individual transactions that are not in the normal course of business or not on an arm's length basis.

d. 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.

e. Details of establishment of vigil mechanism/whistle blower policy :

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under



Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has been also put up on the website of the Company.

f. Details of compliance with mandatory requirement and adoption of the non-mandatory requirements

The Company has complied with mandatory requirements and based on need basis, adopted non-mandatory requirements. The Company has fulfilled the following discretionary requirements:

- The auditors' report on statutory financial statements of the Company are unqualified.
- The Internal Auditors of the Company make presentations to the Audit Committee on their reports.
- Since the Financial Results are published in newspapers having wide circulation and simultaneously also uploaded on the website of the Company and Stock Exchange, only the Annual Reports for the financial year 2023-24 are sent through electronic mode to all the Members and to those Physical copy on request.

g. Disclosure on website Policy for determining 'material' subsidiaries -

The Policy for determining 'material' subsidiaries is posted on the website of the Company and can be accessed at www.afdil.com under Investor section.

h. Disclosure of Policy on dealing with Related Party Transaction:

The Policy on Related Party Transactions is posted on the website of the Company and can be accessed at www.afdil.com under Investor section.

i. Disclosure of Commodity Price Risk or Foreign Exchange Risk and Hedging Activities :

The Company's foreign exchange exposures are typically of short term in nature, and in some cases provide a natural hedge with respect to import and export payments. Given the typically short term nature of the Company's foreign exchange exposures, no hedging by way of derivative financial instruments has been used as the cost of such instruments has been found to be high compared with historical foreign exchange movements over such periods.

j. Details of utilisation of funds raised through preferential allotment or qualified institutions placement :

During the Financial year 2023-24, Company has not raised any funds through preferential allotment or qualified institutions placement.

k. Certificate from Practicing Company Secretary:

A certificate dated:22nd May 2024 has been obtained from a Practicing Company Secretary confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.

l. Disclosure of non-acceptance of any recommendation of any committee by the Board in the Financial Year 2023-24 and its reason:

There was no such instance during the Financial Year 2023-24 where the Board had not accepted any recommendation of any Committee of the Board.

m. Fees paid to Statutory Auditor:

A total fee of ₹3.12 Lakhs was paid by the Company, on a consolidated basis, for all services by the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

n. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

During the Financial Year 2023-24, two sexual harassment complaints were reported. The cases were investigated and dealt with in line with the POSH Policy of the Company and were disposed off appropriately. There were no complaints pending as on end of the Financial year 2023-24.

o. Disclose by listed entity and its subsidiaries of Loans and advances:

The particulars of Loans and Advances entered between the Company and the Related Parties are given in Notes No.42.

p. The Company do not have any Material Subsidiaries.

On behalf of the Board of Directors

Place: Bengaluru
Date:28th May 2024

Abhay Kanoria
Chairman & MD

INDEPENDENT COMPANY SECRETARY COMPLIANCE CERTIFICATE

To the Members of Anglo-French Drugs & Industries Limited,

1. We have examined the compliance of the conditions of Corporate Governance by Anglo-French Drugs & Industries Limited ("the Company") for the year ended 31st March 2024 as stipulated in Regulations 17 to 27, clause (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the SEBI (LORD) Regulations, 2015. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.
2. The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C and D of Schedule V of the SEBI Listing Regulations as applicable.

This Certificate of compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Swaroop S
Proprietor
FCS No. 8977 CP No. 9997
UDIN : F008977F000747132

Place : Bengaluru
Date : 28.05.2024

DECLARATION BY THE MANAGING DIRECTOR UNDER SEBI (LODR) REGULATIONS, 2015
REGARDING COMPLIANCE WITH CODE OF CONDUCT

In accordance with Schedule V, Para D of the SEBI (LODR) Regulations, 2015 as amended from time to time, I the Managing Director of the Company hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended 31st March 2024.

Place: Bengaluru
Date: 28th May 2024

Abhay Kanoria
Chairman & MD

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Anglo-French Drugs & Industries Limited,
Plot No.4, Phase II, Peenya Industrial Area, Peenya, Bangalore North, Karnataka, India, 560058

I have examined the relevant documents, registers, records, forms, returns and disclosures received under Section 164 and 184 of the Companies Act, 2013, from the Directors of Anglo-French Drugs & Industries Limited having CIN L24230KA1923PLC010205 and having registered office at Plot No.4, Phase II, Peenya Industrial Area, Peenya, Peenya Small Industries, Bangalore, Bangalore North, Karnataka, India, 560058 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as a disclosure in its Corporate Governance Report of the Financial Year ended 31st March 2024. I have considered non-disqualification status to include non-debarment by Regulatory or Statutory Authorities.

In my opinion and to the best of information made available to me and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No	Name of the Director	DIN	Date of Appointment in the Company *	Date of Cessation*
1.	Abhay Kanoria	00108894	01/03/1997	-
2.	Uddhav Abhay Kanoria	00108909	10/08/2006	-
3.	Nirbhay Abhay Kanoria	02558300	01/02/2017	-
4.	Ahmedali Nalagath	00704341	24/08/2012	-
5.	Neha Rajen Gada	01642373	01/02/2016	12/02/2024
6.	Sanatkumar Manjunath Shirali	05260386	01/07/2012	12/02/2024
7.	Girija Subramanian	09196957	14/06/2021	09/05/2023
8.	Rakesh Parmeshwar Kanyadi	08532438	13/08/2019	-
9.	Rohit Choraria	07003583	09/05/2023	-
10.	Srinivasan Krishnan	08709528	12/02/2024	-
11.	Pradeep Joshi	02713934	12/02/2024	-
12.	Jayashree Vijay Ranade	09320683	09/05/2023	-

*the date of appointment/cessation is as per the MCA Portal.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

The DIN Status on website of Ministry of Corporate Affairs, New Delhi is "Approved" for all the Directors as on 22.05.2024. None of the Directors are part of "ACTIVE non-compliant company".

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Place : Bengaluru
Date : 22.05.2024

Swaroop S
Proprietor
FCS No. 8977 CP No. 9997
UDIN : F008977F000422401

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, 2024, 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 material 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, 2024, the loss 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

(a) We draw attention to Note 11 to the financial statements regarding outstanding from Viva Remedies since 16th December, 2014. The matter was sub judice at the Court of the XXXIII Additional Chief Metropolitan Magistrate and was settled during the preceding financial year. The Balance still outstanding as on the reporting date amounting ₹ 78.52 Lakhs had been provided in the books and the company had sought requisite approval from IDBI Bank for write off of the said balance from books of account which is pending as on reporting date.

(b) We draw attention to the information given in item (ii) under Note 36 to the financial statements on royalty payable of ₹ 47.13 lakhs included under 'Selling & distribution expenses' to Lupin Ltd during the year which is based on percentage of margin (depending on territory where sales made) on sales (net of freight) invoices raised on overseas customers for registered Lupin brands by the Company. The said payment is made on the basis of meetings held and electronic mail communication between the Company and Lupin Ltd though the agreement specifying the terms and conditions is yet to be obtained.

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 matters	Principal audit procedures
Investment in Mutual Funds (Equity and Debt oriented) ₹ 124.69crores as on 31-3-2024 The Company had 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 on 5th April 2022 based on approval by the shareholders of the Company in the EGM held on 28.02.2022 to Lupin Limited at a consideration (net) of ₹ 291 crores. This exceptional non-recurring income was required to manage the financial crisis the Company was encountering at that time. The cash inflow from the brand sale was partly applied by the Company in strategic investments in Mutual Fund(Equity and debt oriented) as mentioned above which was utilized for various investing activities like upgradation of plant and machinery for facilitating export sales, various civil work and increasing the production capacity and a portion of funds for financing activities like buy back of its shares, payment of buy back tax and payment of dividend. Due to the movement of the said strategic investments and anticipating further application in the near future the investments in mutual fund have not been stated at fair value and the unrealized gains/losses in fair value have not been routed through Profit and Loss (FVTPL) or Other Comprehensive Income (FVOCI). The management is apprehensive of frequent variances in profit if the above accounting was done. The strategic investments in Mutual Funds is in the interests of business and fulfilling its various financing, investing and even operating activities.	During the course of Engagement we had verified the compliance of Schedule III Division II of the Companies Act, 2013 in relation to the investments in Mutual Funds under 'Current Financial Assets' and accordingly the disclosure was given in line with as follows (a) Investments in Equity Instruments; (b) Investment in Preference Shares; (c) Investments in government or trust securities; (d) Investments in debentures or bonds; (e) Investments in Mutual Funds; (f) Investments in partnership firms; and (g) Other investments (specify nature). We had verified the Portfolio statement provided by the fund managers (IIFL Wealth and Kotak Securities) which had served as an external confirmation (complying with SA 505) and had verified the Balances with the System generated Trial Balance and the Ledger extracts. For the investments made directly and not through Fund Managers amounting ₹ 760.99 lakhs verification was made from the related Statement of Account and the Ledger extracts provided. However, the fair values of the Investments as on the reporting date have been disclosed under item (i) to Note No.13 recognising the requirement of IND AS 109.



Key audit matters	Principal audit procedures
Doubts regarding certainty of the Company's continuity in the foreseeable future With significant reduction in operations over the years and focus more on trading activities and orders from Lupin to whom the Company had sold its brand, the Company is incurring operating losses despite exceptional income of ₹ 291 crores during the preceding financial year from Lupin towards the said sale of brand. The employee strength has reduced from 653 in 31-3-2021 to 211 as on 31-3-2024. These factors bring forth doubts regarding certainty of the Company's continuity in the foreseeable future.	Audit Procedure We have found that operating losses are incurred despite the income earned from Sale of Brand to Lupin Ltd. We have also observed the fall in employee strength by 36.8% during the current year compared to the corresponding previous period. The Company is more into trading activities and raising bills towards conversion charges for the requirement of Lupin through AFD Labs. We had observed that Company's endeavour is to foster its export sales and for this its Plant was upgraded and old machinery replaced. The Company had not done any impairment testing to ascertain that the recoverable value is more than the carrying value. We had referred to the minutes of the Board Meeting held in February 2022 where the Board had expressed its optimism and plans to make the Peenya Plant of the Company a profit centre through expansion for export sale promotion.
Applicability of Corporate Social Responsibility (CSR) Section 135 of the Companies Act, 2013 on Corporate Social Responsibility (CSR) is not applicable for the Company though there was a profit of more than ₹ 5 crores in the preceding financial year. It may be noted that the profit of the preceding year was after considering the exceptional income (sale of brand to Lupin) ₹ 291 crores from sale of Brand to Lupin and if the said exceptional item had not been considered a loss would have arisen. Section 198 (3) of the Companies Act, 2013 also lays down that profits arising from sale of undertaking (capital profits) and from sale of immovable property (sale of Brand is of similar nature) are not to be considered for computation of net profits of a company. Accordingly for the purpose of CSR the exceptional income not considered for the computation of profits had resulted in negative profit and the above provision became inapplicable.	Audit Procedure We had perused the minutes of the meeting of the Corporate Social Responsibility Committee of the Board of Directors and had referred to the provisions of Sections 135 and 198 of the Companies Act. An explanatory note given under Note 36 to the Financial Statements on the Company not required to spend for CSR due to the above.
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 Sales Tax and Value Added Tax and TDS amounting ₹ 57 lakhs and ₹4 lakhs respectively have been disclosed as Contingent Liability in Note 43 to the financial statements. The Sales Tax/VAT dispute amounting ₹ 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 credit note disallowance is still in appeal stage without any settlement. Direct Tax TDS demand of ₹4 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.

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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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".

- 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.
- j) Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

Amitabha Niyogi
Partner
M.No. 056720

UDIN: 24056720BKHXEX9531

Date: 28-05-2024
Place: Kolkata

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, 2024 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 or covertness in regard to purpose for certain material expenses related to the Company, 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 preceding 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, 2024, 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

Amitabha Niyogi
Partner
M.No. 056720

Date: 28-05-2024
Place: Kolkata

UDIN: 24056720BKHXEX9531



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 its Property, Plant and Equipment 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 Property, Plant and Equipment by which its Property, Plant and Equipment are verified in a phased manner on a rotational basis covering all the items 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 assets.
- (d) According to the information and explanation given to us by the Management, the Company has disclosed details of all immovable property (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) 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 its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (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 by Bank in excess of ₹ 5 crores on the basis of the
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of the Statute	Nature of the dues	Amount (₹) (in lacs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Sales tax and VAT laws	Sales Tax/ VAT	5	2009-2010	JCCT-Appeals-Dhar Pithampur	--Nil--
Sales tax and VAT laws	Sales Tax/ VAT	53	2011-2012	ACCT- Mumbai	--Nil--
	TOTAL	58			
Income Tax Act 1961	TDS	4	2007-08 to 2017-18	TDS-CPC	--Nil--
	TOTAL	4			

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 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 wilful defaulter by any Bank or Financial Institution or any other lender.

security of current assets during the year. The statements as required have been submitted to the bank and are in agreement with the books of account other than an item of Stores whose value in the returns is ₹ 91.49 lakhs lower as compared to the books due to inclusion of chemicals, consumables and promotional materials in the item as explained by the management.

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. According to the information and explanations given to us by the management the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 (“the Act”). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
5. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
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 of the Cost Auditor.
7. (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (c) According to the information and explanations given to us, the Company has not obtained any term loans during the year other than a vehicle loan taken during the year which was applied for the purpose for which the loans were obtained. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, the Company has not raised any short-term funds during the year. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- (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. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (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. Accordingly, clause 3(ix)(f) of the Order is not applicable.
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. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (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). Accordingly, clause 3(x)(b) of the Order is not applicable.
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) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (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. Accordingly, clause 3(xii) (a) to (c) of the Order is not applicable.
13. In our opinion and according to the information and explanation given to us, the Company is in compliance with Sections 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) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
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 Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
17. According to the information and explanation given to us, the Company has incurred cash losses in the financial year but has not incurred any cash losses in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. According to the information and explanations from the management and on the basis of verification of records made available to us, provision of Section 135 of the Companies Act, 2013 on Corporate Social Responsibility is not applicable for the Company as on reporting date.

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

Amitabha Niyogi
Partner
M.No. 056720

Date: 28-05-2024
Place: Kolkata

UDIN: 24056720BKHXEX9531



STATEMENT OF ASSETS AND LIABILITIES AS AT 31st MARCH 2024

(₹ In Lakhs)

Particulars	Note No.	As at March 31st, 2024	As at March 31st, 2023
		Audited	Audited
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,541	1,311
Capital work-in-progress			
Right of Use of Assets	4	216	484
Intangible Assets	5	16	20
Financial Assets			
Investments	6	51	41
Other Financial Assets	7	684	770
Deferred tax assets (Net)	8	-	-
Other Non Current Assets	9	-	-
Subtotal (A)		2,508	2,626
Current assets			
Inventories	10	1,197	903
Financial Assets			
(i) Trade Receivables	11	4,181	5,914
(ii) Cash and cash equivalents	12 (a)	9	284
(iii) Bank balances other than (ii) above	12 (b)	240	585
(iv) Investments	13	12,469	16,151
(v) Other financial assets	14	1,268	635
Other current assets	16	88	187
Subtotal (B)		19,452	24,659
TOTAL ASSETS(A+B)		21,960	27,285
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	17	123	129
Other Equity	18	16,967	20,755
Subtotal (C)		17,090	20,884
LIABILITIES			
Non Current Liabilities			
Financial liabilities			
Borrowings	19	714	1,696
Other financial liabilities	20	71	123
Deferred tax liabilities (net)	21	96	84
Other Non Current Liabilities	22	266	570
Employee Benefit Obligations	23	156	121
Subtotal (D)		1,303	2,594
Current liabilities			
Financial Liabilities			
(i) Borrowings	24	188	910
(ii) Trade Payables			
a) Total outstanding dues of Micro and Small Enterprises	25	254	110
b) Total outstanding dues other than Micro and Small Enterprises		1,816	1,807
(iii) Other current financial liabilities	26	1,127	940
Short term Provisions	27	48	49
Current Tax Liabilities/ (Asset)	15	134	(9)
Subtotal (E)		3,567	3,807
TOTAL EQUITY AND LIABILITIES (C+D+E)		21,960	27,285

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

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 Amitabha Niyogi

Partner

M.No.: 056720

UDIN: 24056720BKHXEX9531

N.Ahmedali

Director

DIN : 00704341

Abhay Kanoria

Chairman & MD

DIN : 00108894

Date: 28th May 2024

Place: Kolkata

Nirbhay Kanoria

Director & CFO

DIN: 02558300

Sriee Aneetha M

Company Secretary

Statement of Profit and Loss for the period ended 31st March 2024

(₹ In Lakhs)

Particulars	Note No.	For the period ended March 31st, 2024	For the period ended March 31st, 2023
CONTINUING OPERATIONS			
Income			
Revenue from operations	28	9,520	10,251
Other income	29	464	759
Total Revenue		9,984	11,010
Expenses			
Cost Of Materials Consumed	30	3,032	2,875
Purchases of Stock-in-Trade	31	3,974	3,896
Changes in inventories of Finished Goods, Work in Progress and Stock in Trade	32	(184)	956
Employee benefits expense	33	1,945	2,329
Finance costs	34	185	307
Depreciation and amortization expense	35	315	334
Other expenses	36	1,946	4,332
Total Expenses		11,213	15,029
Profit/(loss) before exceptional items and tax		(1,229)	(4,019)
Exceptional items	37	-	29,127
Profit before tax		(1,229)	25,108
Tax expense:			
Current tax	38	-	5,950
Deferred tax		12	64
Tax effect on items reclassified		(7)	-
Profit/ (Loss) for the year		(1,234)	19,094
Other Comprehensive Income			
A. (i) Items that will not be reclassified to Profit or Loss		(8)	5
- Remeasurement of Post-employment benefit obligations		(27)	(67)
- Change in equity instruments- Fair value through Other Comprehensive Income	-		
Income tax relating to the above			-
B (i) Items that will be reclassified to Profit or Loss			-
Income tax relating to the above		7	-
Total Other Comprehensive Income / (Loss)		(28)	(62)
Total Comprehensive Income for the year		(1,262)	19,031
Earnings per share (Face value ₹10/-basic and Diluted[Refer Note 39 to the Financial Statements])		(99)	1,478

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

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 Amitabha Niyogi

Partner

M.No.: 056720

UDIN: 24056720BKHXEX9531

N.Ahmedali

Director

DIN : 00704341

Abhay Kanoria

Chairman & MD

DIN : 00108894

Date: 28th May 2024

Place: Kolkata

Nirbhay Kanoria

Director & CFO

DIN: 02558300

Sriee Aneetha M

Company Secretary



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH 2024

(₹ In Lakhs)

Particulars	For the period ended March 31st, 2024 Audited	For the period ended March 31st, 2023 Audited
Cash flow from operating activities		
Profit before tax	(1,229)	25,108
Adjustments for :		
Depreciation and amortisation	315	334
Interest expense	185	307
Interest income	(240)	(344)
Provisions Written Back	-	(24)
(Gain)/loss on Investment	(126)	
Dividend income	(28)	(45)
Operating profit before working capital changes	(1,125)	25,338
Adjustments for changes in :		
(Increase)/Decrease Trade Receivables	1,733	(2,534)
(Increase)/Decrease Inventories	(294)	2,374
(Increase)/Decrease in Financial Assets (Current)	(633)	(348)
(Increase)/Decrease in Financial Assets (Non-current)	86	-
(Increase)/Decrease in Other assets (Current)	101	135
(Increase)/Decrease in Other assets (Non-current)	-	-
Increase/(Decrease) in Trade payables	152	(313)
Increase/(Decrease) in Financial liabilities (Current)	187	(177)
Increase/(Decrease) in Financial liabilities (Non-current)	(52)	-
Increase/(Decrease) in Other liabilities (Current)	-	35
Increase/(Decrease) in Other liabilities (Non-Current)	(303)	-
Cash generated from operations		
Income tax refund received / (paid) (net)	143	(6,040)
Net cash flow from operating activities before exceptional items	(6)	18,471
Exceptional items		
Net cash flow from operating activities	[A] (6)	18,471
Cash flow from investing activities		
Payments for acquisition of assets	(408)	(282)
Proceeds from disposal of Property, Plant and Equipment	133	-
Investments(Current and Non-current)	3,798	(16,679)
Investment in bank deposits	345	(468)
Dividend Received	28	45
Interest received	240	344
Net cash flow used in investing activities	[B] 4,136	(17,040)
Cash flow from financing activities		
Changes in long term borrowings	(982)	(297)
Changes in short term borrowings	(722)	(566)
Interest paid - Net	(185)	(307)
Buyback of Shares including Tax thereon	(2,259)	
Dividend paid and tax thereon	(258)	
Net cash flow from financing activities	[C] (4,406)	(1,170)
Net cash inflow / (outflow)	D = [A+B+C] (276)	261
Opening cash and cash equivalents	[E] 284	23
Closing cash and cash equivalents	F= [D+E] 9	284

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

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 Amitabha Niyogi

Partner

M.No.: 056720

UDIN: 24056720BKHXEX9531

N.Ahmedali

Director

DIN : 00704341

Abhay Kanoria

Chairman & MD

DIN : 00108894

Date: 28th May 2024

Place: Kolkata

Nirbhay Kanoria

Director & CFO

DIN: 02558300

Sriee Aneetha M

Company Secretary

Statement of Changes in Equity for the year ended March 31, 2024

A. EQUITY SHARE CAPITAL

(₹ In Lakhs)

Balance at the beginning of April 1, 2023	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 2023-24	Balance at the end of March 31, 2024
129	-	129	6	123

₹ 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

B. Other Equity

₹ Lakhs

	Reserves and surplus					Other Comprehensive income	Total
	Capital Reserve	"Securities premium reserve"	General Reserve	Capital Redemption Reserve	Retained earnings (Surplus)		
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 (ows) & 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
Restated Balance at April 1, 2023	43	289	549		19,868	6	20,755
Profit for the year					(1,234)		(1,234)
Other comprehensive income/ (losses) for the year, net of tax					(27)	(8)	(35)
Proposed dividend					(258)		(258)
Changes due to Buyback of shares, Tax and other payments on Buyback					(2,254)		(2,254)
Tax on reclassification of items					7		7
Transfer during the year			(6)	6			
Total comprehensive income for the year	-	-	(6)	6	(3,780)	(8)	(3,788)
Balance as at March 31, 2024	43	289	543	6	16,088	(2)	16,967

The company has bought back 58,118 shares during the year at a nominal value of ₹10 per share with a premium of ₹3090 per share in 26th July 2023 in accordance with section 68 of the Companies Act, 2013 and rules thereunder and in adherence to SEBI (Buyback) Regulations, 2018. The requisite approval of the Board was duly obtained in this regard.

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

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 Amitabha Niyogi

Partner

M.No.: 056720

UDIN: 24056720BKHXEX9531

N.Ahmedali

Director

DIN : 00704341

Abhay Kanoria

Chairman & MD

DIN : 00108894

Nirbhay Kanoria

Director & CFO

DIN: 02558300

Sriee Aneetha M

Company Secretary

Date: 28th May 2024

Place: Kolkata



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, 2024 and authorised for issue on 28th May 2024

2 MATERIAL ACCOUNTING POLICIES

This note provides a list of the material 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, 2024, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2024, and a summary of the material 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 company 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 upto 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 company.

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 company 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 company 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 company's balance sheet) when the rights to receive cash flows from the asset have expired, or the company 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 company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company 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 company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company 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 company 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 company could be required to repay.

(D) Impairment:

In accordance with Ind-AS 109, the company 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 company follows 'simplified approach' for recognition of impairment loss allowance on:

Trade receivables which do not contain a significant financing component.

The company 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 company 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 company 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 company 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 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.

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 company commits to purchase or sell the asset.

2.6 (f) REVENUE RECOGNITION

(A) Sale of goods

Revenue is measured at the transaction price/fair value 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 company 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 company has a present unconditional right to consideration, it is recognised separately as a receivable.

The company has applied Ind AS 115 on and from 1st April, 2018 using the modified retrospective approach (cumulative catch up method) and therefore the comparative information has not been retrospectively restated.

(B) Export Incentive

Duty drawback is recognized at the time of exports and the benefits in respect of advance license received by the company 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.

2.7 EMPLOYEE BENEFITS

The company 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 company are entitled to leave benefits as per the policy of the company. 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 company 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 company. 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 company pays provident fund contributions to a fund administered by Government Provident Fund Authority. The company 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 company 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 Financial Statements are presented in INR which is the Functional Currency of the company.

(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 company 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. 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 company 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 company 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 company is entitled to on fulfillment of certain conditions, but are available to the company only on completion of some other conditions, are recognized as income at fair value on completion of such other conditions

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

2.16 Recent Pronouncements

“Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

2.17 Material 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 company's accounting policies.

Estimates and judgments are continuously evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company's 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 company's accounting policies and that have the most material 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 company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company'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 companies. 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 company 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 company.

- iv) Assumptions are also made by the management with respect to valuation of inventories, evaluation of recoverability of deferred tax and contingencies.
- v) Previous year's figures have been recompanied / reclassified wherever necessary to correspond with the current year's classification / disclosure
- vi) Rounding off has been done in the relevant notes wherever applicable.



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

FY 2023-24

₹ Lakhs

DESCRIPTION	GROSS CARRYING AMOUNT				DEPRECIATION / AMORTISATION				NET CARRYING AMOUNT
	As at 01.04.2023	Additions	Adjustments	Balance As at 31.03.2024	As at 01.04.2023	Charge during the year	Adjustments	Balance As at 31.03.2024	Balance As at 31.03.2024
Freehold land	8			8	-			-	8
Buildings	808	65		873	234	34		268	604
Plant & equipment	751	94	13	831	320	52	13	359	472
Furniture & fittings	204	131		335	120	18		138	197
Vehicles	297	64	18	343	125	38	18	145	198
Office equipment	60	2		62	46	5		51	10
Computers	285	52		336	257	28		285	51
Total	2,413	408	31	2,788	1,102	175	31	1,246	1,541

Previous year (FY 2022-23)

₹ 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

4 RIGHT OF USE ASSETS-IND AS 116

	FY 2023-24
Right of Use Assets as on 31-3-2023 (representing right of use of underlying assets)	484
Add: Asset created	
Less: Asset removed	133
Amortisation Charge	135
Net carrying amount as on 31-3-2024	216

RIGHT OF USE ASSETS-IND AS 116

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

- 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.

5 NON-CURRENT ASSETS - INTANGIBLE ASSETS

FY 2023-24

₹ Lakhs

DESCRIPTION	GROSS CARRYING AMOUNT				DEPRECIATION / AMORTISATION				NET CARRYING AMOUNT
	As at 01.04.2023	Additions	Adjustments	Balance As at 31.03.2024	As at 01.04.2023	Charge during the year	Adjustments	Balance As at 31.03.2024	Balance As at 31.03.2024
Trademarks	-			-	-			-	-
Computer software	30			30	10	4	-	14	16
Total	30	-	-	30	10	4	-	14	16

Previous year (FY 2022-23)

₹ 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
Trademarks	-	-	-	-	-	-	-	-	-
Computer software	10	20		30	7	3	-	10	20
Total	10	20	-	30	7	3	-	10	20

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.

	Particulars	As at March 31st, 2024 ₹ Lakhs	As at March 31st, 2023 ₹ 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 (2023- 5,760) Equity shares of INR 10 each in Industrial Development Bank of India Limited	5	5
	19,400 (2023- 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		
	(ii) Unquoted -		
	1 (2023- 1) Equity share of ₹ 10 each full paid-up in Nysha Mobility Tech Pvt Ltd	0	0
	A. Investments in Preference Shares (fully paid)		
	(i) Unquoted -		
	7,850 (2023- 7,850) Compulsorily Convertible Preference Shares of ₹ 10 each (premium of ₹ 308.7 per share) full paid-up in Nysha Mobility Tech Pvt Ltd	25	25
	Total Investment in equity instruments	32	32
	Investments in Shares- Ind As	19	9
	Total non-current investments	51	41
	Aggregate amount of quoted investments	7	7
	Market value of quoted investments	26	16
7	OTHER FINANCIAL ASSETS - NON CURRENT		
	Security deposits	194	219
	Bank deposits with more than 12 months maturity	59	6
	Bank Guarantee	1	1
	Others- Inter corporate deposit	431	544
	Total Other Financial Assets	684	770



	Particulars	As at March 31st, 2024 ₹ Lakhs	As at March 31st, 2023 ₹ Lakhs
8	DEFERRED TAX ASSETS (NET)		
	Total Deferred Tax assets (Net)	-	-
9	OTHER NON-CURRENT ASSETS		
	Total other non-current assets	-	-

	Particulars	As at March 31st, 2024 ₹ Lakhs	As at March 31st, 2023 ₹ Lakhs
10	INVENTORIES		
	Raw materials	274	166
	Packing materials	153	123
	Work-in-progress	99	104
	Finished goods	566	378
	Stores, spare parts & chemicals	105	132
	Total inventories	1,197	903
11	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		
	CURRENT FINANCIAL ASSETS-TRADE RECEIVABLES		
	Trade receivables		
	(a) Considered good - Secured		-
	(b) Considered good - Unsecured	4,309	6,079
	(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	41	78
	Total trade receivables (current)	4,181	5,914

Trade Receivables - Ageings-FY 2023-24

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs	
(i) Undisputed Trade receivables- considered good	2185	162	1734	41	59	4181
(ii) Undisputed Trade receivables- which have significant increase in credit risk						
(iii) Undisputed Trade receivables- Impaired						
(iv) Disputed Trade receivables- considered good						
(v) Disputed Trade receivables- which have significant increase in credit risk						
(vi) Disputed Trade receivables- Impaired					128	128
						4309

Trade Receivables - Ageings-FY 2022-23

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs	
(i) Undisputed Trade receivables- considered good	3148	2646	73	7	40	5914
(ii) Undisputed Trade receivables- which have significant increase in credit risk						
(iii) Undisputed Trade receivables- Impaired						
(iv) Disputed Trade receivables- considered good						
(v) Disputed Trade receivables- which have significant increase in credit risk						
(vi) Disputed Trade receivables- Impaired					165	165
						6079

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. The matter was sub judice at the Court of the XXXIII Additional Chief Metropolitan Magistrate and was settled during the preceding financial year. The Balance outstanding as on the reporting date amounting ₹ 78.52 Lakhs was provided in the books and the company had sought requisite approval from IDBI Bank for write off of the said balance from books of account which is pending as on reporting date.

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.

Particulars		As at March 31st, 2024 ₹ Lakhs	As at March 31st, 2023 ₹ Lakhs
12	a. Cash and Cash Equivalents		
	Cash in hand	1	5
	Balances with Banks		
	- Unclaimed dividend	6	1
	- Current Accounts	2	278
		9	284
	b. Other Bank Balances		
	- in Deposit account*	240	585
		240	585
	* Represent deposit with original maturity more than 3 months but less than twelve months.		
13	CURRENT FINANCIAL ASSETS - INVESTMENTS		
	Investments in Mutual Funds (Refer Note (i) below)	12,469	16,151
		12,469	16,151
	(i) The company had invested in Mutual funds in FY 2022-23 and the investment were stated at Amortized Cost. Accordingly, unrealized gains and losses are not recorded as on the reporting date. The company had strategically invested in these Mutual funds, Equity & debts instruments which is parked temporarily for application by the company in investing and financing activities. The Cost and NAV as on the reporting date are as follows:		
		Cost as on 31.03.2024	NAV as on 31.03.2024
	Equity Oriented Funds	7,191	9,967
	Debt Oriented Funds	4,006	4,480
	Alternative Investment Funds	1,272	1,441
		12,469	15,888



	Particulars	As at March 31st, 2024 ₹ Lakhs	As at March 31st, 2023 ₹ Lakhs
14	CURRENT FINANCIAL ASSETS - OTHERS		
	Employee advances	42	26
	Recoverable from Statutory Authorities	569	382
	Advances to suppliers and others	657	227
		1,268	635
15	CURRENT TAX ASSETS (NET)		
	Income Tax (net of provision)		
	Advance Income Tax	6,236	6,345
	TDS Receivables	34	69
	MAT Credit	80	80
	Less: Provision for Income taxes	(6,484)	(6,485)
	Total Current Tax assets	(134)	9
16	OTHER CURRENT ASSETS		
	Prepaid expenses	73	157
	Others-Recovery Right Assets	15	30
	Total other current assets	88	187

	Particulars	As at March 31st, 2024 ₹ Lakhs	As at March 31st, 2023 ₹ Lakhs
17	EQUITY SHARE CAPITAL		
	Authorised		
	20,00,000 Equity Shares of INR 10 each	200	200
		200	200
	Issued		
	12,33,382 Equity Shares of INR 10 each (PY: 12,91,500 Equity Shares of INR 10 each)	123	129
		123	129
	Subscribed and fully paid up		
	12,33,382 Equity Shares of INR 10 each (PY: 12,91,500 Equity Shares of INR 10 each)	123	129
		123	129
	Notes:		
	a. Reconciliation of number of Equity shares subscribed		
	Balance as at the beginning of the year	12,91,500	12,91,500
	Add: Shares Issued		
	Less: Shares bought back	58,118	
	Balance as at the end of the year	12,33,382	12,91,500
	b. Aggregate number of shares bought back is 58,118 (FY 2022-23 - 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, 2024		As at March 31st, 2023	
	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	6,71,964	54.48	7,02,205	54.37
(2) Ninaad Finance And Properties Pvt Ltd	1,29,000	10.46	1,29,000	9.99
(3) Life Insurance Corporation of India	85,977	6.97	90,000	6.97

e. Shareholding of Promoters

Name of the Shareholder	As at March 31st, 2024		As at March 31st, 2023	
	No of Equity shares held	% of holding in that class of shares	No of Equity shares held	% of holding in that class of shares
Promoters/Promoters Group				
Abhay Kanoria Family Trust, Represented by Mr. Abhay Kanoria, Trustee	6,71,964	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	8,04,614	64	8,34,855	64

The Board of Directors in its meeting held on 09th May 2023, has recommended dividend of 200% (₹20/- per equity share of ₹10/- each) for the year ended 31st March, 2023 and the same was approved by the shareholders at the 100th Annual General Meeting held on 3rd August 2023. which resulted in a cash outflow of ₹2,58,30,000/-.

	Particulars	As at March 31st, 2024 ₹ Lakhs	As at March 31st, 2023 ₹ Lakhs
18	OTHER EQUITY		
	(a) RESERVES AND SURPLUS		
	CAPITAL RESERVE	43	43
	SECURITIES PREMIUM RESERVE	289	289
	GENERAL RESERVE	543	549
	CAPITAL REDEMPTION RESERVE	6	-
	SURPLUS/(DEFICIT) IN STATEMENT OF PROFIT AND LOSS	16,088	19,868
		16,969	20,749
	(b) OTHER RESERVES		
	Fair Value through Other Comprehensive Income- Equity Instrument	(2)	6
	Total other equity	16,967	20,755
	(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	289	289
	(iii) GENERAL RESERVE		
	Opening Balance	549	549
	Less: Transfer to Capital Redemption Reserve	6	
	Closing Balance	543	549



Particulars	As at March 31st, 2024 ₹ Lakhs	As at March 31st, 2023 ₹ Lakhs
(iv) Capital Redemption Reserve		
Opening Balance	-	-
Add: Transfer during the year	6	-
Closing Balance	6	-
(v) SURPLUS/ (DEFICIT) IN STATEMENT OF PROFIT AND LOSS		
Opening Balance	19,868	833
EFFECT OF IND AS		4
Retained earnings from Singapore	-	23
Less: Proposed Dividend	(258)	(19)
Less: Buyback of shares	(1,796)	
Less: Tax and other payments on Buyback of shares	(458)	
Add: Profit /(Loss) during the year as per Statement of Profit & Loss	(1,234)	19,094
Other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(34)	(67)
Closing Balance	16,088	19,868
(b) OTHER RESERVE		
OTHER COMPREHENSIVE INCOME		
Opening Balance	6	1
Adjustments during the year		
- Remeasurements of quoted equity shares	(8)	5
Closing Balance	(2)	6
Analysis of Accumulated OCI		
Balance at the beginning of the year	6	1
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	(8)	5
Balance at the end of the year	(2)	6

(i) Capital Reserve

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

(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 is a free reserve, which 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 company.

(iv) Retained earnings :

Retained earnings comprise balances of accumulated (undistributed) profit or loss at each year end.

(v) Capital Redemption Reserve

The nominal value of the shares bought back on 26th July 2023 was transferred to Capital Redemption Reserve in consonance with Section 69 of the Companies Act, 2013.

₹ in Lakhs

	Particulars	As at March 31st, 2024	As at March 31st, 2023
19	NON-CURRENT BORROWINGS		
	Secured loan		
	HDFC Bank- Loan against property (LAP)	413	930
	Car Loan	69	51
	Inter Corporate Deposit		
	Related Party	232	715
	Total	714	1,696

PARTICULARS OF BORROWINGS :

a) Security, Terms of repayment and Interest rate :

- (i) In respect of Vehicle loans repayments are done by equated monthly installments over 36 to 60 months. Vehicle loans are secured by hypothecation of vehicles.
- (ii) The company has taken vehicle loan from Kotak Mahindra Prime Limited during the year which carry interest at the rate of 8.93%, repayable in 60 equal installments. Repayment of the term loan will be completed in Apr 2028 .
- (iii) Loan from HDFC Bank (LAP) 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 10%, repayable in 72 equal monthly instalments. Repayment will be completed in July 2027
- (iv) Inter Corporate Deposits received from Sudarshan services Ltd. carry the interest at the rate of 10.5%. These deposits are repayable on mutually agreed dates.

₹ Lakhs

	Particulars	As at March 31st, 2024	As at March 31st, 2023
20	Other non-current financial liabilities		
	Security deposits	71	123
	Total	71	123

₹ Lakhs

	Particulars	As at March 31st, 2024	As at March 31st, 2023
21	Deferred tax liabilities (net)		
	Deferred Tax Liabilities on account of :		
	Depreciation	126	139
	Total deferred tax liabilities (A)	126	139
	Deferred Tax Assets on account of :		
	Provision for Bonus	(8)	(14)
	Provision for Leave encashment and gratuity	(21)	(38)
	Provision for debts, advances and investments	(1)	(3)
	Total deferred tax assets (B)	(30)	(55)
	Deferred Tax (Assets)/Liabilities (Net - A-B)	96	84

₹ Lakhs

	Particulars	As at March 31st, 2024	As at March 31st, 2023
22	Other Non Current Liabilities		
	Lease Liabilities- Ind AS 116 (Refer Note 44)	266	570
	Total	266	570



(Rupees in lakhs)

		As at March 31, 2024			As at March 31, 2023		
		Current	Non-current	Total	Current	Non-current	Total
23	EMPLOYEE BENEFIT OBLIGATIONS						
	Leave Encashment - Unfunded						
	Present value of obligation	9	34	43	11	44	55
	Gratuity - Funded						
	Present value of obligation	164	122	286	222	77	299
	Fair value of plan assets	126	-	126	184	-	184
	Net Liability	38	122	160	38	77	115
	Gratuity Liability	38	122	160	38	77	115
	Total employee benefit obligations	47	156	203	49	121	170

(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	27	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	127	79
April 1, 2022	392	265	127	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	68	-	68	-

Particulars	Gratuity			Leave Encashment
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
Employer contributions	-	-	-	-
Benefit payments	-	-	-	20
March 31, 2023	500	281	219	70
April 1, 2023	500	281	219	70
Current service cost	19	-	19	12
Prior Service cost				
Interest expense/(income)	19	11	8	-
Total amount recognised in profit or loss	38	11	27	12
Remeasurements				
Loss/(Gain) due to experience	8	-	8	-
Loss due to change in financial assumptions	8	-	8	-
Return on plan assets (greater)/less than discount rate	1	-	1	-
Total amount recognised in other comprehensive income	17	-	17	-
Employer contributions	-	-	-	-
Benefit payments	-	-	-	20
March 31, 2024	555	292	263	62

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

Particulars	March 31, 2024	March 31, 2023
Present value of funded obligations	286	299
Fair value of plan assets	126	184
Deficit of funded plan	160	115
Unfunded plans	0	0
Deficit of Employee Benefit Plans	160	115

(iv) **Post-Employment benefits**

The significant actuarial assumptions were as follows:

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.20%	7.69%
Salary growth rate	5.00%	5.00%
Expected return on assets	7.20%	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, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Gratuity						
Discount rate	1%	1%	(15)	(16)	17	18
Salary growth rate	1%	1%	14	16	(13)	(15)
Withdrawal rate	1%	1%	2	3	(2)	(3)



Particulars	Change in assumption		Impact on defined benefit obligation			
			Increase by 1%(100bps)		Decrease by 1%(100bps)	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Leave Encashment						
Discount rate	1%	1%	(3)	4	3	(4)
Salary growth rate	1%	1%	3	4	(3)	(3)
Withdrawal rate	1%	1%	0	0	(0)	(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, 2024		March 31, 2023	
	Amount in lakhs	in %	Amount in lakhs	in %
Investment funds with Kotak Gratuity Group Plan (UNI-107L010V05)	126	100%	184	100%
Total	126	100%	184	100%

The Company pays contribution to Kotak Gratuity Group Plan (UNI-107L010V05) which in turn 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 ended March 31, 2024 is 38 lakhs (Year ended 31.03.23 ₹38 lakhs)

The weighted average duration of the defined benefit obligation is 10.82 years (March 31, 2023 - 11.31 years) in case of Gratuity and 10.82 years (March 31, 2023 - 11.31 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, 2024							
Gratuity	29	18	30	19	13	135	244
Leave encashment	4	3	4	3	2	17	33
Total	33	21	34	22	15	152	277
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

(₹ in lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
24	CURRENT BORROWINGS		
	SECURED		
	Cash Credit from Banks		
	YES Bank	188	910
	Total Current borrowing	188	910

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 94.17 crores.

b) Terms of repayment and Interest rate :

(i) Cash Credit from YES Bank carry interest at the rate of 9.5%

	Particulars	As at March 31, 2024	As at March 31, 2023
25	TRADE PAYABLES		
	Trade payables	2,070	1,917
	Total trade payables	2,070	1,917
	Classification as required by MSME Act		
	Total outstanding dues of Micro Enterprises and Small Enterprises*	254	110
	Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,816	1,807
	Total trade payables	2,070	1,917
	* 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. Credit period as per the purchase orders ranges from 60 to 90 days and most of the bills were raised in February 2024. Hence, the delay of 45 days does not arise as on the reporting date.		

Trade Payable ageing schedule as at March 31, 2024

Particulars	Outstanding for the following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	254				254
(ii) Others	1,811	5			1,816
(iii) Disputed dues- MSME					
(iv) Disputed dues- Others					
	2,065	5			2,070

Trade Payable ageing schedule as at March 31, 2023

Particulars	Outstanding for the following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	110				110
(ii) Others	1802	5			1,807
(iii) Disputed dues- MSME					
(iv) Disputed dues- Others					
	1,912	5			1,917



Disclosure relating to micro and small enterprises

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Current	Non Current	Current	Non Current
(1) Principal amount outstanding	254	-	110	-
(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	-	-	-	-

	Particulars	As at March 31st, 2024 ₹ Lakhs	As at March 31st, 2023 ₹ Lakhs
26	OTHER CURRENT FINANCIAL LIABILITIES		
	Current maturities of long term debt		
	Car loan	31	30
	HDFC Bank - Loan against Property (LAP)	156	
	Unclaimed dividend	6	1
	Creditors for Expenses	264	95
	Statutory and other dues	23	233
	Liabilities related to employees	222	200
	Others-Refund Liability	30	60
	Other payables	395	321
	Total current financial liabilities	1,127	940
27	SHORT TERM PROVISIONS		
	Employee Benefit Obligations (Gratuity & LE)	48	49
	Total Short Term provisions	48	49

	Particulars	For the period ended March 31st, 2024	For the period ended March 31st, 2023
28	REVENUE FROM OPERATIONS		
	a) Sale of products		
	Pharmaceutical	9,496	10,232
	b) Other operating revenues		
	Sale of scrap	6	5
	Conversion charges/income from job work	10	10
	Commission received	1	4
	Miscellaneous income - Operating Income	7	-
	Total Revenue from Operations	9,520	10,251

	Particulars	For the period ended March 31st, 2024	For the period ended March 31st, 2023
29	OTHER INCOME		
	Interest from Banks	6	8
	Interest on others	234	336
	Dividend income	28	45
	Provisions/ Liabilities written back	30	24
	Miscellaneous income -non operating	36	7
	DEPB Transfer/Duty Drawback	5	6
	Profit on sale of Investments (net)	126	305
	Exchange Rate (Loss)/ Gain	(1)	28
	Total Other Income	464	759
30	COST OF MATERIALS CONSUMED		
	a) Raw Material Consumed		
	Opening Stock	167	1,163
	Purchases	2,507	1,182
		2,674	2,345
	Less : Closing Stock	274	167
	Raw Material Consumed	2,400	2,178
	b) Packing Material Consumed		
	Opening Stock	123	494
	Purchases	662	326
		785	820
	Less : Closing Stock	153	123
	Packing Material Consumed	632	697
	Total Cost of material consumed	3,032	2,875
31	Purchases		
	Total Cost of Goods	6,823	7,727
	Less:Opening Stock	482	1,438
	Less: Consumption of Materials	3,032	2,875
	Add: Closing Stock	665	482
	Total Purchases	3,974	3,896
32	Changes in inventories of Finished Goods, Work in Progress and Stock in Trade		
	Opening Inventories of :		
	Finished Goods	378	1,334
	Work in Progress	104	104
		482	1,438
	Closing Inventories of :		
	Finished Goods	566	378
	Work in Progress	99	104
		665	482
	Total changes in inventories of finished goods, work in progress and stock-in-trade	(184)	956



	Particulars	For the period ended March 31st, 2024	For the period ended March 31st, 2023
33	EMPLOYEE BENEFITS EXPENSE		
	Salaries & wages	1,725	2,093
	Contribution to provident and other Funds	141	144
	Staff welfare expenses	79	92
	Total employee benefits expense	1,945	2,329
34	FINANCE COSTS		
	Interest Expense		
	-on borrowing from banks and others	149	245
	Finance Cost-Ind AS 116	36	62
	Total finance costs	185	307
35	DEPRECIATION AND AMORTIZATION EXPENSES		
	PROPERTY, PLANT AND EQUIPMENT-DEPRECIATION		
	Buildings	34	36
	Plant & equipment	52	49
	Furniture & fittings	18	15
	Vehicles	38	46
	Office equipment	5	4
	Computers	29	26
	INTANGIBLE ASSETS - AMORTISATION		
	Computer software	4	3
	ROU AMORTISATION - IND AS 116	135	156
	Total	315	334

		For the period ended March 31st, 2024	For the period ended March 31st, 2023
36	OTHER EXPENSES		
	(a) Operating, administrative & other expenses		
	Consumption of stores and spares	30	31
	Rent	76	44
	Rates & taxes	21	24
	GST/Sales tax	62	56
	Repairs & maintenance		
	Building	3	3
	Plant & machinery	79	70
	Others	64	138
	Insurance charges	12	18
	Electricity & water	35	32
	Factory power & fuel	117	106
	Job-work charges- manufacturing service charges	5	74
	Tour & travelling expenses	431	577
	Vehicle running & maintenance	67	71
	Conveyance expenses	4	4
	Legal & professional fee	186	203

		For the period ended March 31st, 2024	For the period ended March 31st, 2023
	Membership fee & subscription	52	46
	Office & general expenses	117	131
	Postage and telegram	2	4
	Bank Charges	11	15
	Printing & stationary	24	32
	Charity & donations	22	46
	Security expenses	44	39
	Telephone & telex charges	18	27
	Laboratory expenses	39	42
	Research & development	-	0
	Investment Expenses	84	65
	Directors fee	13	9
	Trade marks	20	10
	Loss on sale of assets	-	4
	Auditors remuneration [refer note 36(a)]	6	7
	(b) Selling & distribution expenses		
	Selling expenses	17	38
	Advertisement & publicity	-	3
	Business promotion expenses	47	326
	Bad debt written off	4	10
	Clearing, forwarding & freight	52	73
	Rebates & discount allowed	62	1,775
	Insurance expenses- goods-in-transit	1	2
	Handling expenses	1	2
	Clearing & forwarding agents commission	71	123
	Royalty Expenses	47	52
	Total other expenses	1,946	4,332
36(a)	Details of Auditors' remuneration		
	Audit fee	3	3
	Other Professional charges	1	1
	For other services such as certification	2	3
	Total Auditor's Remuneration	6	7
37	EXCEPTIONAL ITEMS		
	Profit on sale of Trade Marks (net)	-	29,968
	Less: Related expenses	-	841
	Net exceptional items	-	29,127

36 (i) Royalty Expense include amount payable to Lupin Ltd during the year which is based on percentage of margin (depending on territory where sales made) on sales (net of freight) invoices raised on overseas customers for registered Lupin brands by the Company. The said payment is made on the basis of meetings held and e-mail communication between the Company and Lupin Ltd though the agreement specifying the terms and conditions is yet to be obtained.

(ii) Section 135 of the Companies Act, 2013 on Corporate Social Responsibility (CSR) is not applicable for the Company though there was a profit of more than ₹ 5 crores in the preceding financial year. It may be noted that the profit of the preceding year was after considering the exceptional income ₹ 291 crores from sale of Brand to Lupin and if the said exceptional item had not been considered a loss would have arisen.

Section 198 (3) of the Companies Act, 2013 also lays down that profits arising from sale of undertaking (capital profits) and from sale of immovable property (sale of Brand is of similar nature) are not to be considered for computation of net profits of a company. Accordingly for the purpose of CSR the exceptional income not considered for the computation of profits will result in negative profit and the above provision will be inapplicable.



(Rupees in lakhs)

	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
38	TAX EXPENSE		
	(a) Current tax		
	Tax on profits for the year	-	5950
	Adjustments for prior periods	-	-
	Total current tax expense	-	5950
	(b) Deferred tax		
	Opening Deferred Tax Liability	84	21
Add:	Deferred Tax Liability on account of:		
	Change in WDV value of Fixed Assets	126	139
	Tax on Actuarial Gain on Leave Encashment		
Less:	Deferred Tax Asset on account of:		
	Provision for Bonus	-8	-14
	Provision for Gratuity	-12	-25
	Provision for LE	-9	-13
	Provision for doubtful debts	-1	-3
	Net Increase/ (decrease) in deferred tax liability	96	84
	Total deferred tax expense/(benefit)	12	64
	Total tax expense	12	6014
	Income tax adjustments (since income tax payable under MAT - u/s 115JB)	0	25110
	Tax payable under MAT - u/s 115JB	0	4389
	Income tax expense as per Income Tax	12	6014

	Particulars	March 31, 2024	March 31, 2023
39	EARNINGS PER SHARE		
a	Basic earnings per share	(99)	1,478
b	Diluted earnings per share	(99)	1,478
c	Reconciliations of earnings used in calculating earnings per share		
	Profit attributable to the equity holders of the company used in calculating basic earnings per share	(1,234)	19,094
	Profit attributable to the equity holders of the company used in calculating diluted earnings per share	(1,234)	19,094
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	12,51,961	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.	12,51,961	12,91,500

40 FAIR VALUE MEASUREMENTS

Financial instruments by category

Particulars	As at 31st March 2024		As at 31st March 2023	
	FVOCI	Amortised cost	FVOCI	Amortised cost
Financial assets				
Investments				
-Equity Investments	-		-	
-Subsidiaries				
Fixed Deposits		240		585
Trade Receivables		4,181		5,914
Cash and cash equivalents		9		284
Other Bank Balances				-
Security deposits		-		219
TOTAL FINANCIAL ASSETS	-	4,430	-	7,002
Financial Liabilities				
Borrowings		1,432		2,903
Security Deposits		71		123
Trade payables		2,070		1,917
Capital creditors				-
Unclaimed Dividend				-
Others				
TOTAL FINANCIAL LIABILITIES		3,573	-	4,943

(i) Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	As at 31st March 2024 Level 1	As at 31st March 2023 Level 1
Financial Assets at FVOCI		
Investment in equity shares		
Industrial Development Bank of India Limited	5	3
Bank of Baroda	21	13
Total Financial Assets at FVOCI	26	16

(ii) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

- recognised and measured at fair value and
- 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 USD are as follows :

(in lakhs)

Currency	Receivables	Payables
March 31, 2024		
US Dollar (USD)	2	-
Net exposure to foreign currency risk	2	-
March 31, 2023		
US Dollar (USD)	8	-
Net exposure to foreign currency risk	8	-
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, 2024	March 31, 2023
Variable Rate borrowings	413	934
Fixed Rate borrowings	489	1,672
Total borrowings	902	2,606

(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	₹ 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	119
Loss allowance as on 31st March 2023	166
Changes in loss allowance	38
Loss allowance as on 31st March 2024	128

(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:**

₹ in Lakhs

Particulars	March 31, 2024	March 31, 2023
Floating rate		
Cash credit/WCTL facility	188	910

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**

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).

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	9	Mrs. Pallavi Kanoria (Wife of Mr Abhay Kanoria)
2	Mr. Uddhav Kanoria	10	Mr. Harshwardhan Murarka (Upto 27.10.2023)
3	Mr. N Ahmedali	11	Ms. Sriee Aneetha M
4	Ms. Neha Rajen Gada (upto 12.02.2024)	12	Mrs. Jayashree Vijay Ranade (from 09.05.2023)
5	Mr. Nirbhay Kanoria	13	Mr. Rohit Choraria (from 09-05-2023)
6	Mr. Sanatkumar Shirali (upto 12.02.2024)	14	Mr. Srinivasan Krishnan (from 12-02-2024)
7	Mrs. Girija Subramanian (upto 09.05.2023)	15	Mr. Pradeep V Joshi (from 12-02-2024)
8	Mr. Rakesh P Kanyadi		

B. Enterprises which are post employment benefit plan for the benefit of employees

- The Anglo French Drug Co. ESTN Ltd Employee's Gratuity Fund
- Group Supperannuation Scheme under LIC of India



C. Enterprises in which Key Management Personnel and close member of Key Management personnel have joint control.

1	Abhay Kanoria Family Trust	6	Sudarshan Services Ltd.
2	Broach Textile Mills Ltd.	7	Sudarshan Exports Ltd.
3	Ekta Tie-up Pvt. Ltd.	8	Ninaad Finance & Properties Pvt.Ltd.
4	GBK Charitable Trust	9	Shir Binod Kanoria Foundation
5	Radha Kesari Spinning Mills Ltd.		

(b) Transactions with Related Parties for the year ended March 31, 2024

(Rupees in Lacs)

NATURE OF TRANSACTIONS	Enterprises in which Key Management Personnel have Joint Control		Key Management Personnel / Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit of employees	
	2024	2023	2024	2023	2024	2023
EXPENSES:						
i) Rent paid						
Sudarshan Services Ltd.						
Mr. Abhay Kanoria			13	13		
Mrs.Pallavi Kanoria			13	13		
ii) Receiving of Services – Administrative, Commercial & Accounting service						
Binod Kanoria Foundation -Donation paid			16	15		
iii) Interest Paid						
Sudarshan Services Ltd	35	59				
Ninand finance & Properties Pvt Ltd	7	24				
iv) Remuneration Paid						
Mr. Abhay Kanoria			85	84		
Mr. Uddhav Kanoria			58	57		
Mr. Nirbhay Kanoria			47	46		
Mrs.Pallavi Kanoria			44	38		
Mr.Harshwardhan Murarka			15	27		
Ms. Sriee Aneetha			13	8		
Mr. Rakesh P Kanyadi			30	32		
v) Director's sitting fees						
Mr. Sanatkumar Shirali			2.80	2.20		
Ms.Neha Rajen Gada			3.20	2.40		
Mr. N Ahmedali			3.20	2.80		
Mr. Rohith Choraria			1.00	-		
Mrs. Girija Subramanian			0.20	0.60		
Mrs. Jayashree Vijay Ranade			1.00	-		
Mr. Rakesh P Kanyadi			1.40	1.00		
OTHER RECEIPTS:						
i) Inter Corporate Deposit Received						
Ninaad Finance & Properties Pvt. Ltd	80	269				
Refund of Gratuity						
The Anglo French Drug Co. ESTN Ltd Employee's Gratuity Fund					67	60

Outstanding Balances as on March 31, 2024

NATURE OF TRANSACTIONS	Enterprises in which Key Management Personnel have Joint Control		Key Management Personnel/ Relative of Key Management Personnel		Enterprises which are post employment benefit plan for the benefit of employees	
	2024	2023	2024	2023	2024	2023
PAYABLES :						
i) Inter Corporate Deposit						
Sudarshan Services Ltd	232	500				
Ninaad Finance & Properties Pvt Ltd	-	216				
LOANS & ADVANCES AND RECEIVABLES :						
iii) Security Deposit						
Mr. Abhay Kanoria	12	12				

43 THE COMPANY HAD CONTINGENT LIABILITIES AT MARCH 31, 2024 IN RESPECT OF:

A (a) Claims against the Company pending appellate/judicial decisions not acknowledged as debts :

Particulars	March 31, 2024	March 31, 2023
a) Value Added Tax/Sales Tax	57	57
b) Service Tax/ Excise Duty	0	116
c) TDS defaults as per TDS-CPC	4	18

- The Management believes that the outcome of the above will not have any material adverse effect on the financial position of the company.
- The Company does not expect any reimbursements in respect of the above contingent liabilities.
- The assessed tax liability is ₹ 57 lakhs towards Value added tax / sales tax are under dispute as at March 31, 2024 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.
- 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 amounting to ₹ 0.14 Lakhs pertaining to FY 2023-24
- 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 :

- Counter guarantees issued to banks and remaining outstanding INR 22.61 Lakhs (FY 2022-23 - INR 31.22 lakhs).
- Letter of credit opened and remaining outstanding is NIL (FY 2022-23 - INR 3.78 lakhs)

(c) Capital Commitments - Nil

B Additional Regulatory 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:
 - 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 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:
 - 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.



- (v) 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.
- (vi) 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.
- (vii) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.
- (viii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- (ix) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- (x) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- (xi) 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.
- (xii) The Company does not have any transactions with companies which are struck off

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 have decreased by ₹ 21 lakhs and decreased ₹ 26 lakh respectively and corresponding yearly rent has increased by ₹ 32 lakhs. The single accounting model introduced by Ind AS 116 recognises a right-of-use asset amounting to ₹ 216 lakhs representing its right to use the underlying assets and a lease liability of the ₹ 266 Lakhs 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.

S r . No	Location	Name of Land Lord	Period		Deposit	Rent P.M.	Rent for One Year
			From	To			
1	Mumbai Office	The Phoenix Mills Limited	18.12.2022	17.12.2023	45,80,180.00	8,13,236.00	97,58,832.00
			18.12.2023	17.12.2024		8,53,897.00	1,02,46,764.00
2	Mumbai Guest House	Minoo Arjandas Melwani	01.08.2022	31.07.2023	12,00,000.00	4,20,000.00	50,40,000.00
			01.08.2023	31.07.2024		4,41,000.00	52,92,000.00

- (i) Guest House- Pebble Bay agreement was made initially for 5 years accordingly Ind AS 116 was applicable. However, during the current year, the agreement has been revised and 11 months agreement was entered. Accordingly, the Right of Use Asset and Lease Liability has been reversed in the books.
- (ii) The Corporate Office agreement was terminated with effect from 1st March 2024. Accordingly, the Right of Use Assets & Lease Liability has been reversed in the books of accounts.

45 (a) Details of Raw Materials Consumed

Description	Units	Current Year		Previous Year	
		Quantity	Amount	Quantity	Amount
PHARMACEUTICALS					
Calcium D Pantothenate IP	Kgs			5,890	155
Ascoric Acid	Kgs			47,256	210
Paracetamol IP& BP	Kgs	1,10,417	358		
Riboflavin IP & BP	Kgs	5,161	225		
Miscellaneous			1,816		1,813
(None individually account for more than 10% of total consumption)					
			2,399		2,178

(b) Value of Raw Materials Stores and Spare Parts consumed:

(Rupees in Lacs)

Description	Current Year		Previous Year	
	Amount	%	Amount	%
a) Raw Materials:				
Imported	9	0	61	3
Indigenous	2,390	100	2,117	97
	2,399	100	2,178	100
b) Stores and Spare Parts				
Imported	0		0	
Indigenous	10	100	11	100
	10	100	11	100

(c) Purchase of Stock -in-Trade

(₹ in Lakhs)

Description	Units	Current Year		Previous Year	
		Quantity	Amount	Quantity	Amount
Formulations:					
a) Tablets	Million	231	1,983	297	2,440
b) Liquids	Bottles	84,37,382	943	94,58,962	1,182
c) Injections	Litres	9,200	110	9,103	133
d) Injections	Kgs	1,326	242	868	184
e) Capsules	Million	38	369	43	440
f) Granules	Kgs	1,136	9	3,697	10
g) Powder	Kgs	1,02,189	141	1,18,737	151
h) Ointment	Kgs	29,474	142	52,128	254
i) Others	Nos.	4,11,141	24	6,64,868	48
j) Gel	Litres	2,987	12		
			3,975		4,842

(d) Value of Imports on CIF basis

Description	Current Year		Previous Year	
	USD	₹ In lakhs	USD	₹ In lakhs
i) Raw Materials	-	-	83,600	75
ii) Components and Spare Parts	-	-	-	-
Expenditure in Foreign Currency	87,398	73	1,26,625	101
F.O.B Value of Exports				
In Foreign Currency	10,51,917	869	10,84,688	872

46 OPERATING SEGMENT

The Holding Company has only one reportable segment i.e. pharmaceuticals

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023
Information about Geographical Areas:		
Revenue from customers		
In India	7,452	9,316
Outside India	2044	916

47 RESEARCH AND DEVELOPMENT EXPENSES

For the period ended	March 31, 2024	March 31, 2023
Material Consumption	5	1
Labortary consumption	8	16
Employee Benefits Expense	14	21
Others	1	1
	28	39



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:

Nature	March 31, 2024	March 31, 2023
Revenue from contracts with customers		
Revenues from sale of goods	9,496	10,232
Revenues from sale of scrap (Other operating income)	6	5
	9,502	10,237

- iii. The revenues are further disaggregated into revenues from domestic as well as export market as follows :

Nature	March 31, 2024		March 31, 2023	
	Domestic	Exports (including Deemed Exports)	Domestic	Exports (including Deemed Exports)
Revenue from contracts with customers				
Revenues from sale of goods	7,452	2,044	9,316	916
Revenues from sale of scrap (Other operating income)	6	0	5	0
	7,458	2,044	9,321	916

- 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	(0)	11
Additions	15	30
Adjustments	(0)	11
Balance as at the end of the year	15	30

- v. The revenue from contracts with customers for the year also includes the impact of customers' right to return the goods of ₹ 30 Lakhs. The same has been deducted from the transaction price. The corresponding cost of materials to be returned to the company amounting to ₹ 15 Lakhs has been adjusted with the cost of consumption. The corresponding refund liability and right to recover an asset have been recognised in the financial statements.

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 & Mar24. 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 company 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 the management. 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 financial 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 %	Change in ratio in excess of 25% compared to preceeding year
			For the year ended	For the year ended		
			31st March 2024	31st March 2023		
Current Ratio (in times)	Current Assets	Current Liabilities	5.45	6.48	(15.81)	on account of utilisation of funds from investment for various activities (buyback, Dividend & Tax thereon)
Debt Equity Ratio (in times)	Total Borrowings (Non current+Current)	Total Equity	0.05	0.12	(57.70)	on account of repayment of HDFC LAP/ Intercompany of Deposits and reduction in working capital limits
Debt Service Coverage Ratio (in times)	Profit 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	(5.14)	104.97	(104.90)	Loss incurred during the year
Return on Equity Ratio	Net Profit after tax	Average Networth	(0.02)	0.42	(103.87)	Loss incurred during the year
Inventory Turnover (no of days)	Average inventory	Fuel Cost + Stores & Spares Consumed+ Purchase of stock-in-trade	0.15	0.31	(51.43)	on account of increase in Inventory
Debtors Turnover Ratio	(Average Trade Receivables + Average unbilled revenue) * No of days in the reporting year	Revenue from operations	0.53	0.45	16.97	due to reduction in Sales
Payables Turnover Ratio	Average Trade payables * No of days in the reporting year	Cost of goods sold	0.28	0.31	(7.11)	on account of increase in creditors
Net Capital Turnover (in times)	Revenue from operations	Working Capital	0.60	0.49	21.90	
Net Profit Margin (%)	Net profit for the year	Total Income	(0.13)	1.73	(107.31)	Loss incurred during the year
Return on Capital Employed (%)	Profit before tax plus Interest on long term loans and debentures	Net worth + Total borrowings + Deferred Tax	(0.06)	1.08	(105.55)	Loss incurred during the year

NOTE NO 51

These financial statements have been adopted by the Board in its meeting dated 28th May 2024

As per our report of even date attached"

For **KAMG & ASSOCIATES**

Chartered Accountants

Firm's Registration Number 311027E

CA Amitabha Niyogi

Partner

M.No.: 056720

UDIN: 24056720BKHXEX9531

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

Date: 28th May 2024

Place: Kolkata

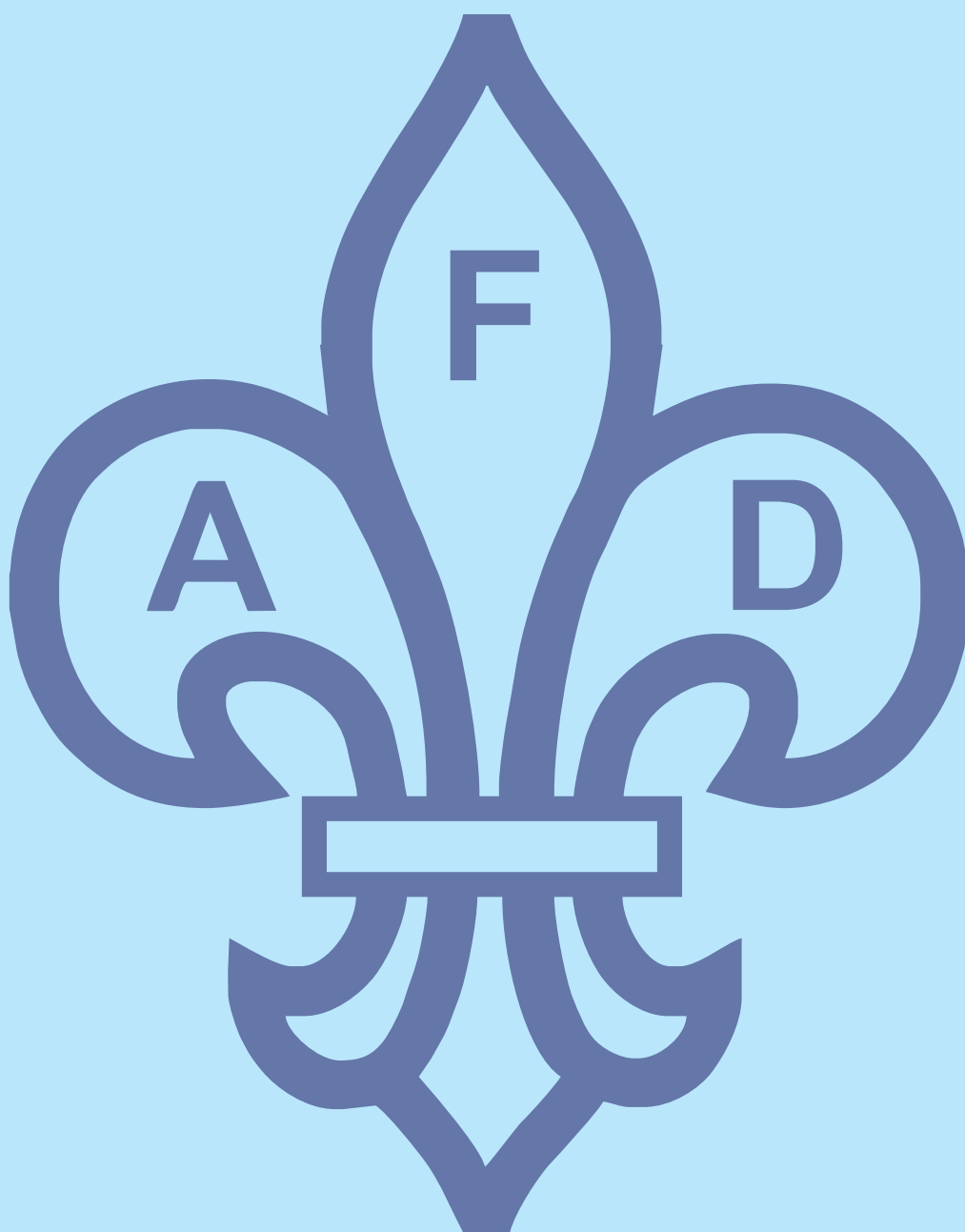
Nirbhay Kanoria

Director & CFO

DIN: 02558300

Sriee Aneetha M

Company Secretary



Anglo-French Drugs & Industries Ltd.

Plot No.4, Phase II, Peenya Industrial Area, Peenya, Bengaluru – 560058