ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED

20th July, 2021

To,
Listing Compliance Department
Metropolitan Stock Exchange of India Ltd.
Vibgyor Towers, 4th Floor, Plot No. C-62,
G-Block, Opposite Trident Hotel,
Bandra Kurla Complex,
Bandra (E), Mumbai- 400098

Kind Attn: Mr. Vaibhav Shah

Dear Sir,

Sub: Submission of Notice of 98th Annual General Meeting (AGM) and Annual Report for the financial year 2020-2021

Pursuant to the requirements of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Notice of 98th Annual General Meeting (AGM) of the Company together with Annual Report for financial Year 2020-2021 which was dispatched through electronic mode to all Members whose email addresses are registered with Company/ Registrar & Share Transfer Agent/ Depositories.

We send herewith a copy of requisite Notice of Annual General Meeting (AGM) and Annual Report for the year ended 31st March 2021.

Please be informed that the Register of Members and the Share transfer books of the Company will remain closed from 3rd August, 2021 to 13th August, 2021 both days inclusive, for the purpose of Annual General Meeting.

Further, aforesaid notice and Annual report have also been uploaded on website of the Company at www.afdil.com

Kindly take the above information on your records.

Thanking you,

Yours faithfully,
For Anglo-French Drugs & Industries Ltd.

ANGLO-FRENCH DRUGS & INDUSTRIES LTD. Bangalore-10

Deepa Ramachandran
Company Secretary & Compliance Officer

Place: Bengaluru

Encl: a/a

98th

ANNUAL REPORT

2020-21

Anglo-French Drugs & Industries Limited

Anglo-French Drugs & Industries Limited
No.41, 3rd Cross, V Block, Rajajinagar,
Bengaluru – 560 010.
CIN: L24230KA1923PLC010205
Website: www.afdil.com

NOTICE CONVENING ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Ninety-Eighth (98th)** Annual General Meeting of the Members of Anglo-French Drugs & Industries Limited ("Company") will be held on Friday, 13th August, 2021 at 4.30 p.m. at Plot No. 4, Phase II, Peenya Industrial Area, Peenya, Bengaluru- 560058, Karnataka to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company, for the financial year ended 31st March 2021 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 2021.

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

SPECIAL BUSINESS

4. **Appointment and ratification of remuneration of Cost Auditors of the Company for the Financial Year 2021-22.**

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

   "RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013, Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of M/s. Rao Murthy & Associates, Cost Accountants (Firm Registration No.000065) as Cost Auditors of the Company and as approved by the Board to conduct the audit of Cost records of the Company for the Financial Year 2021-22 and ratification of remuneration payable to them amounting to ₹70,000/- (Rupees Seventy Thousand Only) per annum, 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 of the Company be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

5. **Re-appointment of Mr. Uddhav Kanoria (DIN: 00108909) as President & Whole-time Director:**

   To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution.**

   "RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee and approval of Board of Directors of the Company at their meeting held on 10th February, 2021 and in accordance with the provisions of Section 196, 197, 198, 203 and other applicable provisions if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for time being in force) read with Schedule V of the Act and applicable provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended from time to time and subject to other sanctions/approvals as may be necessary, approval of the Members be and is hereby accorded for re-appointment of Mr. Uddhav Kanoria (DIN: 00108909), as President & Whole Time Director of the Company for a period of 3 (Three) years w.e.f. 10th August, 2021, the remuneration payable to Mr. Uddhav Kanoria, President & Whole time Director of the Company shall be on the same terms & conditions as approved by resolution passed by Members through postal ballot on 6th November, 2020.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to alter, amend and vary the terms and conditions of the said re-appointment, remuneration and/or agreement in such manner and to such extent as may be agreed between the Board of Directors and Executive Director so as not to exceed the limits specified in Schedule V to the Act including any amendments thereto.

   RESOLVED FURTHER THAT where in any financial year the Company has no profits or its profits are inadequate, the Company do pay to Mr. Uddhav Kanoria remuneration as specified above by way of salary, perquisites and other allowances not exceeding the ceiling limit specified under Section II of Part II of Schedule V to the Act (including any amendment or re-enactment(s) thereof).

   RESOLVED FURTHER THAT Mr. Uddhav Kanoria shall not be paid any sitting fees for attending the meeting of Board of Directors and / or any Committee thereof.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

6. **Re-appointment of Mrs. Neha Gada (DIN: 01642373) as Independent Director.**

   To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**.

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time, and based on recommendation of the Nomination and Remuneration Committee and approval of Board of Directors, the re-appointment of Mrs. Neha Gada (DIN: 01642373), who meets the criteria for independence as provided in Section149(6) of the Act along with the Rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for re-appointment as an

Independent Director of the Company, not liable to retire by rotation for second term of 5 years commencing from 1st February, 2021 to 31st January, 2026 be and is hereby approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

7. **Change in designation of Mr. Sanatkumar Shirali (DIN: 05260386) as Independent Director:**

   To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution.**

   "RESOLVED THAT pursuant to the provisions of Sections 149 ,152 and other applicable provisions, if any, of the Companies Act, 2013 the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof for the time being in force), and pursuant to the recommendation of the Nomination & Remuneration Committee and approval of Board of Directors, Mr. Sanatkumar Shirali (DIN: 05260386) who was a Non-Executive Director be and is hereby re-designated as Independent Director on Board of the Company and who has submitted a declaration that he meets the criteria of independence as provided under Section 149(6) of the Act and qualifies within provisions of Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. The re-designation of Mr. Sanatkumar Shirali as an Independent Director, not liable to retire by rotation, be and is hereby approved for a period of 5 years commencing from 14th June 2021 and ending on 13th June, 2026.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

8. **Appointment of Mrs. Girija Subramanian (DIN: 09196957) as Nominee Director in place of Mr. Shashikant More (DIN: 08397618):**

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

   "RESOLVED THAT pursuant to provisions of Section 161(3) of Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, if any of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per Articles of Association of the Company, based on the recommendation of the Nomination & Remuneration Committee and approval of Board of Directors, appointment of Mrs. Girija Subramanian (DIN: 09196957), representative of General Insurer's (Public Sector) Association of India as Nominee Director on Board of the Company in place of Mr. Shashikant More (DIN: 08397618) w.e.f. 14th June, 2021 be and is hereby approved. Mrs. Girija shall not be liable to retire by rotation and be entitled to only sitting fees as part of her remuneration.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

9. **Appointment of Mr. Rakesh Kanyadi (DIN: 08532438) as Non-Executive Director for 3 years and payment of remuneration in accordance with Schedule V of Companies Act, 2013**

   To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**.

   "RESOLVED THAT pursuant to the provisions of Section 152, 197, 198 read with Part II of Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company and subject to such other approval(s), sanction(s) and permission(s) as may be applicable / required and subject to such other conditions and modifications as may be prescribed or imposed by any of the Authorities, if required/applicable, in granting such approvals, permissions and sanctions, pursuant to recommendation of Nomination & Remuneration committee and approval of Board of Directors in their meeting dated 14th June, 2021, consent of Members be and is hereby accorded to appoint Mr. Rakesh Kanyadi as Non-Executive Director of the Company for a period of 3(three) years w.e.f 14th June, 2021 to 13th June, 2024 on the terms and conditions including remuneration and sitting fees as may be decided by the Board.

   RESOLVED FURTHER THAT where in any financial year the Company has no profits or its profits are inadequate, Mr. Rakesh Kanyadi shall be entitled to receive remuneration as specified above by way of salary, perquisites and other allowances.

   RESOLVED FURTHER THAT the Board shall have discretion and authority to modify the aforesaid terms and remuneration and/or Agreement within, however, the limit as approved by the members.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

By order of the Board of Directors,
For **Anglo-French Drugs & Industries Ltd.**

Date: 14th June, 2021
Place: Bangalore

Deepa Ramachandran
Company Secretary &
Compliance Officer

Registered Office:
No.41, 3rd cross,
V Block, SSI Area,
Rajajinagar, Bengaluru- 560010.

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 2020-21 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 2020-21 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 ("Act"), setting out material facts concerning the business under Item Nos. 4 to 9 set out above and details under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, in respect of the Director seeking appointment/re-appointment at the Annual General Meeting (AGM) are 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. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.afdil.com.

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 98th 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 98th AGM and the Annual Report for the year 2021 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-

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

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

Dividend related information:

9. The final dividend of ₹1.5/- per fully paid-up Equity share of ₹10/- each as recommended by Board of Directors, if approved by the Members at the AGM, will be paid subject to deduction of income-tax at source ('TDS') on or after Friday, August 20, 2021 to those members whose names appear on the Register of Members as on Monday, August 2, 2021.

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

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

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

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

14. Members may note that as per the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividends paid or distributed by the Company after 1st April 2020, shall be taxable in the hands of the shareholders and the Company shall be required to deduct tax at source (TDS) at the prescribed rates from the dividend to be paid to shareholders, subject to approval of shareholders in the ensuing AGM. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company.

    a. All Shareholders are requested to ensure that the below information & details are completed and/or updated, as applicable, in their respective demat account(s) maintained with the Depository Participant(s); or in case of shares held in physical form, with CCSL, on or before the **Record Date i.e. Monday, August 2, 2021.**

       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 2020-21

       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 2021-22 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 2021-22;
- 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 2021-22.

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

e. **Submission of tax related documents:**

Resident Shareholders

The aforesaid documents such as Form 15G/15H, documents under Sections 196, 197A, etc. can be uploaded on the link http://59.97.21.164/ANGLO/HolderDtls.aspx on or before **Monday, August 2, 2021** to enable the Company to determine the appropriate TDS/withholding tax rate applicable. Any communication on the tax determination/deduction received post Monday, August 2, 2021 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 Monday, August 2, 2021 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 Monday, August 2, 2021.

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

15. **Share Transfer permitted only in Demat:** As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed Companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members

can contact the Company or Company's Registrars and Transfer Agents, M/s. Canbank Computer Services Limited ("CCSL") for assistance in this regard.

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

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

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

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

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

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

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

23. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, August 3, 2021 to Friday, August 13, 2021 (both days inclusive).

24. At the Ninety Fourth AGM held on September 21, 2017 the Members approved appointment of M/s. KAMG & Associates, Chartered Accountants, (FRN 311027E), AE-350, Salt Lake, Sector-1, Kolkata – 700064, as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the Ninety Ninth AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to the appointment of Statutory Auditors for ratification by Members at every Annual General Meeting has been done away with vide notification dated 7th May, 2018 issued by the Ministry of Corporate Affairs.. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the Ninety Eighth AGM.

25. The route map showing directions to reach the venue of the Ninety Eighth (98th) 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).

1. **INSTRUCTIONS FOR CASTING VOTES BY REMOTE E-VOTING**

The remote e-voting period commences on Tuesday, August 10, 2021 at 9.00 A.M. and ends on Thursday, August 12, 2021 at 5.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Monday, August 2, 2021 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 Monday, August 2, 2021.

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

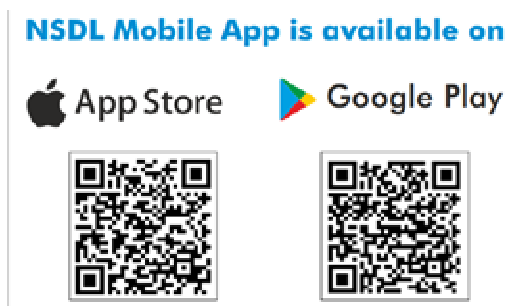
The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 2. 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 3. 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. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. 
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in 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 provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
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 toll free no.: 1800 1020 990 and 1800 22 44 30
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 022- 23058738 or 022-23058542-43

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for 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.

   c) How to retrieve your 'initial password'?

      (i) 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'.

      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

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

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to info@swaroopsuri.com with a copy marked to evoting@nsdl.co.in.

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 toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Prasad Madiwale at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories/ company for procuring user id and password and registration of email 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 scanned 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.

27. Other information:

- The remote e-voting period commences on Tuesday, August 10, 2021 at (9.00 a.m. IST) and ends on Thursday, August 12, 2021 (5.00 p.m. IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date i.e. Monday, August 2, 2021 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. Monday, August 2, 2021.

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

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

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

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

- Electronic Copy of the Annual report for 2020-21 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 98th AGM and the Annual Report FY 2020-21 will be available on website of the Company and Stock Exchange.

By order of the Board of Directors

For **Anglo-French Drugs & Industries Ltd.**

Date: 14th June, 2021
Place: Bangalore

Deepa Ramachandran
Company Secretary &
Compliance Officer

Registered Office:

No.41, 3rd cross,
V Block, SSI Area,
Rajajinagar,
Bengaluru- 560010.

ANNEXURE TO NOTICE

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

ITEM NO.4

On recommendation of the Audit Committee, the Board of Directors of the Company at their meeting held on 14th June, 2021 approved the appointment of M/s. Rao, Murthy & Associates, Cost Accountants, (Firm registration no.000065) as Cost Auditor of the Company, to conduct the audit of Cost records relating to Pharmaceutical Formulations for the Financial Year 2020-21 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.4 of the Notice for approval of the Members by way of an Ordinary resolution.

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 10th February, 2021 re-appointed Mr. Uddhav Kanoria (DIN: 00108909), as President & Whole Time Director of the Company with effect from 10th August, 2021 to 9th August, 2024 for a further term of 3 Years.

Mr. Uddhav Kanoria, aged 40 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 years of experience in the field of strategic business development and managing business operations. He has been associated with the Company for more than 15 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. 1st July, 2020 and shall be on same terms and conditions as approved by Members through Postal ballot on 6th November, 2020.

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 Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing his candidature for the office of Director.

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

Nature of concern or interest of Directors:

Mr. Uddhav Kanoria, President & Whole Time Director is deemed to be interested in this item of business since it relates to his re-appointment. Mr. Abhay Kanoria and Mr. Nirbhay Kanoria are also deemed to be interested, being relatives of Mr. Uddhav Kanoria. No other Director or Key Managerial Personnel or their relative is concerned or interested in this item of business.

The Board recommends the Resolution as set out in Item No.5 of the Notice for approval of the Members by way of a Special resolution.

ITEM NO.6

Mrs. Neha Gada (DIN: 01642373) was appointed as an Independent Director on Board of the Company vide resolution passed by Members at the 93rd Annual General Meeting on 26th September, 2016 for a term of 5 consecutive years. Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 an Independent Director shall hold office for a term upto 5 consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such re-appointment in the Board's Report.

Mrs. Neha Gada is eligible to be re-appointed as the Independent Director for another term of upto 5 consecutive years.

On the basis of performance evaluation covering various aspects including attendance and level of participation, understanding of the roles and responsibilities etc. and based on recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 10th February, 2021 approved the re-appointment of Mrs. Neha Gada as the Independent Director of the Company for a second term of 5 consecutive years with effect from 1st February, 2021 to 31st January, 2026. The re-appointment of Mrs. Neha Gada is subject to the approval by the Members at the ensuing Annual General Meeting by way of a special resolution.

The Company has received a notice in writing from a member in accordance with the provisions of Section 160(1) of the Act proposing the candidature of Mrs. Neha Gada for the office of Independent Director. The Company has received a declaration from Mrs. Neha Gada to the effect that she meets the criteria of Independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Company has also received a declaration from Mrs. Neha Gada that she is not disqualified to be re-appointed as Independent Director under the Act and SEBI Listing Regulations.

A brief profile of the Independent Director to be re-appointed is given below:

Mrs. Neha Gada: Mrs. Neha Gada is a Chartered Accountant by profession. She is the founder and Proprietor of N.R. Gada & Associates, Mumbai, since July 2007. She has worked with renowned Chartered Accountant firms at Mumbai. She was associated with Bombay Stock Exchange Ltd., as Manager (Department of Corporate Services and Department of Surveillance & Supervision) and worked with ICICI Bank Ltd., as Product Compliance Head – NRI Services. She has over 16 years of professional work experience which helps her in rendering timely services for Companies in Listing of their Securities, Takeover Code, IPO documentation etc. She has been appointed as an Independent Director in the Company from 1st February 2016.

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.

In compliance with the provisions of Section 149, read with Schedule IV of the Act and SEBI Listing Regulations and other applicable Regulations, the Re-appointment of Mrs. Neha Gada as Independent Director is being placed before the Members for their approval.

The Board recommends the Special Resolution in relation to re-appointment of Mrs. Neha Gada as an Independent Director as set out at Item No.6 of this Notice.

Nature of concern or interest of Directors:

Mrs. Neha Gada is concerned or interested, in the Resolution relating to her re-appointment. None of the other Directors and Key Managerial Personnel of the Company is in any way, concerned or interested, in the Resolution set out at Item No. 6 of the Notice.

ITEM NO.7

Mr. Sanatkumar Shirali (DIN: 05260386) was appointed as Non-Executive Director on Board of the Company from 1st July, 2012. Since, Mr. Sanatkumar Shirali meets all the criteria of Independence, Board of Directors in consultation with and as recommended by the Nomination and Remuneration Committee considered the change in designation of Mr. Sanatkumar Shirali by re-designating him as an Independent Director on Board of the Company w.e.f. 14th June, 2021 for a period of 5 (five) years upto 13th June, 2026.

The Company has received a notice in writing from a member in accordance with the provisions of Section 160(1) of the Act proposing the candidature of Mr. Sanatkumar Shirali for the office of Independent Director. The Company has received a declaration from Mr. Sanatkumar Shirali to the effect that he meets the criteria of Independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Company has also received a declaration from Mr. Sanatkumar Shirali that he is not disqualified to be appointed as Independent Director under the Act and SEBI Listing Regulations.

The Board considers that Mr. Sanatkumar Shirali's appointment as Independent Director would result in enhancing the efficiency of the Board and would be beneficial to the Company as he has been associated with the Company in the past and brings varied experience in the Pharmaceutical industry.

Accordingly, the Board recommends the resolution in relation to the appointment of Mr. Sanatkumar Shirali as the Independent Director, for the approval by the shareholders of the Company.

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

Mr. Sanatkumar Shirali: Mr. Sanat Shirali has a dynamic career of over 4 decades in the Pharma industry. He has been highly successful in driving large scale revenue and profit gains as well as improving on organisational productivity and performance. He is well organised with a track record that demonstrates self-motivation, entrepreneurial ability, creativity, and initiative to achieve corporate goals.

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.

In compliance with the provisions of Section 149, read with Schedule IV of the Act and SEBI Listing Regulations and other applicable Regulations, the appointment of Mr. Sanatkumar Shirali as Independent Director is being placed before the Members for their approval. The Board recommends the Special Resolution in relation to appointment of Mr. Sanatkumar Shirali as an Independent Director as set out at Item No.7 of this Notice.

Nature of concern or interest of Directors:

Mr. Sanatkumar Shirali is concerned or interested, in the Resolution relating to his appointment. None of the other Directors and Key Managerial Personnel of the Company is in any way, concerned or interested, in the Resolution set out at Item No. 7 of the Notice.

ITEM NO. 8

Mrs. Girija Subramanian (DIN: 09196957) is being appointed as a Nominee Director in place of Mr. Shashikant More. Mr. Shashikant More's Directorship as Nominee Director on Board of the Company ceased on account of him attaining superannuation/retirement. The Board of Directors at their meeting held on 14th June, 2021 based on the communication received from General Insurer's (Public Sector) Association of India and recommendation of the Nomination & Remuneration Committee considered and approved appointment of Mrs. Girija Subramanian (DIN : 09196957), representative of General Insurer's (Public Sector) Association of India as Nominee Director on Board of the Company w.e.f. 14th June, 2021.

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

Mrs. Girija Subramanian: Mrs. Girija Subramanian is a Fellow of the Insurance Institute of India and an Associate of the Chartered Insurance Institute, London. Mrs. Girija has over 3 decades of experience in various reinsurance departments, primarily in Aviation, Life, Health and Property classes. Ms. Girija Subramanian is presently the General Manager at General Insurance Corporation of India (GIC) and handles the Claims Vertical which takes care of all non-life claims across all classes of business.

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.

The Board recommends the Resolution as set out in Item No. 8 of the Notice for approval of the Members by way of an Ordinary resolution.

Nature of concern or interest of Directors:

Mrs. Girija Subramanian is concerned or interested, in the Resolution relating to her appointment. None of the other Directors and Key Managerial Personnel of the Company is in any way, concerned or interested, in the Resolution set out at Item No. 8 of the Notice.

ITEM NO.9

Mr. Rakesh Kanyadi (DIN: 08532438) was appointed as a Director on Board of the Company w.e.f. 13th August, 2019 and his appointment was ratified by Members at the 97th Annual General Meeting of the Company on 29th September, 2020. The Ministry of Corporate Affairs ("MCA") vide Notification dated 18th March, 2021 brought out an amendment to Section II of Part II under Schedule V of Companies Act, 2013 wherein limits have been prescribed for remuneration payable to other Directors in case of a company having no profit or inadequate profits. In order to align the appointment and remuneration payable to Mr. Rakesh Kanyadi, Non-Executive Director with the amended provisions, the Board of Directors at their Meeting held on 14th June, 2021 based on recommendation of the Nomination and Remuneration Committee approved the appointment of Mr. Rakesh Kanyadi as Non-Executive Director for a period of 3 (three) years w.e.f. 14th June, 2021 to 13th June, 2024.

Broad particulars of the terms of appointment of and remuneration payable to Mr. Rakesh Kanyadi are as under:

Period: 3 (three) years w.e.f. 14th June, 2021 to 13th June, 2024

I. **Basic Salary** at the rate of ₹ 51,000/- per month.

II. **Perquisites and allowances:**

a. House rent allowance

b. Use of office car with driver. Use of the car for private purpose to be billed by Company to Mr. Rakesh Kanyadi.

c. Contributions to Provident Fund, Gratuity Fund as per Rules of the Company.

d. Coverage under Personal Accident Insurance as per Rules of the Company.

e. The re-imbursement of medical expenses for himself and family for domiciliary treatment up to a limit of ₹15, 000/- in a year and coverage under Company's MEDICLAIM policy with Insurance Company for self and family.

f. Leave Travel Concession for self and family once a year, in accordance with the Rules of the Company.

g. Earned leave as per the rules of the Company;

h. First Class Air or Air-conditioned/Executive Class Rail for official Tours.

i. Meals Coupons

j. For the purpose of computation of the said ceiling, contributions to the Provident Fund 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.

k. 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.

Minimum Remuneration: Notwithstanding anything herein, where in any financial year during the tenure of the Non-Executive Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, however, within the limits as approved by the Members. In any case, remuneration paid shall not exceed ₹ 40 lakhs p.a.

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

The terms and conditions set out for the appointment and payment of remuneration may be altered and varied from time to time by Board of Directors as it may, at its discretion deem fit within the limits approved by the Members.

As per the provisions of Section 197 of Companies Act, 2013 read with Part A of Section II of Part II of Schedule V of Companies Act, 2013, the overall remuneration payable to Mr. Rakesh Kanyadi exceeds the ceiling limits prescribed and therefore special resolution of Members is sought. All necessary disclosures and explanation as required under Schedule V of the Act is provided herein.

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

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.

Nature of concern or interest of Directors:

Mr. Rakesh Kanyadi, Non-Executive Director is deemed to be interested in this item of business since it relates to his appointment. No other Director or Key Managerial Personnel or their relative is concerned or interested in this item of business.

The Board recommends the resolution as set out in Item no.9 of the Notice for approval of Members by way of Special resolution.

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 1st 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 on	
	31-03-2021	31-03-2020
Net Sales and Other Income	15480	13173
Operating Profit (EBITDA including Other Income)	1208	620
Less: Depreciation/ Amortisation Expenses	(246)	(254)
Profit Before Tax (PBT)	962	366
Profit After Tax (PAT)	722	287

(5) **Foreign Investment or Collaborations, if any –** As on date, the Company has a wholly owned subsidiary in Singapore.

II. Information about the Appointees

Sr. No.	Details	Mr. Rakesh Kanyadi
1.	**Background Details**	Mr. Rakesh Kanyadi is B. Pharm graduate with over 18 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.
2.	**Past Remuneration**	₹ 21.50 Lakhs
3.	**Recognition or Awards**	-----
4.	**Job profile and suitability**	Plant Operations – Technical
5.	**Remuneration proposed**	In the range of ₹ 25 -40 lakhs
6.	**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 proposed remuneration is sought to be paid as appropriate remuneration due to inadequacy of profits and comparative remuneration profile would not be a determining factor. However, taking into consideration the size of the Company, the profile of Director and the responsibilities shouldered on him, the Nomination and Remuneration Committee at their meeting had considered the remuneration payable to him and found the same competitive in lines with his experience, skill and expertise in the Pharmaceutical Industry.	
7.	**Pecuniary relationship directly or indirectly with the Company or relation with the managerial personnel or Other Director, if any** Mr. Rakesh Kanyadi draws remuneration from Company & he does not belongs to Promoter & Promoter Group.	

III. Other Information:

1. Reasons of loss or inadequate profits

Due to COVID-19 pandemic and the lockdowns prevailing across the Country, the Company foresees growth at a slower pace. The impact was seen in previous few months affecting both domestic and exports. The growth in the Pharma sector over the years has been in the range of 6 to 9 %. It is expected to continue at the same level. It may be noted that reasons for losses were beyond the control of the Company and those reasons cannot be attributed to laxity in performance of the Management of the Company.

2. Steps taken or proposed to be taken for improvement

The Company has adopted a cautious approach and is focusing on employee safety and conserving cash. The Company has cut down all avoidable costs and is focusing on pitching new market opportunities by launching products (immunity boosters, Zinc tablets) etc. in Nutraceutical and dietary segments. Despite COVID, the Company has since emerged stronger from the slowdown and rightly positioned itself to take advantage in the next growth phase.

3. Expected increase in productivity and profits in measurable terms

The Company will continue its efforts to increase the sales and profitability. The Company is witnessing and will continue to witness strong demand for exports from Southeast Asian and South African countries. On the other hand, the Company is continuing its progress through numerous product developments to gain competitive edge in the market whilst keeping its customers business needs at the forefront. There are new product launches planned for the next 3-5 years and the Company has been using the digital medium and innovative ways like virtual launches to reach the customers.

The aforesaid remuneration has been recommended by Nomination and Remuneration Committee and approved by the Board of Directors at their respective meetings held on 14th June, 2021.

The Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

Except Mr. Rakesh Kanyadi, none of the other Directors, KMPs and their relatives are concerned /interested, financially or otherwise, in the above resolutions set out in Item no. 9

The Board recommends the resolution at Item No. 9 for approval of the Members as a Special Resolution.

By order of the Board of Directors
For **Anglo-French Drugs & Industries Ltd.**

Date: 14th June, 2021
Place: Bangalore

Deepa Ramachandran
Company Secretary & Compliance Officer

Registered Office:
No.41, 3rd cross,
V Block, SSI Area,
Rajajinagar,
Bengaluru- 560010.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT 98TH ANNUAL GENERAL MEETING :

Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 1.2.5 of Secretarial standards on General meetings are provided herein below:

Name of the Director	**Mr. Uddhav Kanoria**	**Mrs. Neha Gada**	**Mr. Sanatkumar Shirali**	**Mrs. Girija Subramanian**	**Mr. Rakesh Kanyadi**
DIN	00108909	01642373	05260386	09196957	08532438
Age	41 Years	45 Years	70 years	55 Years	48 years
Designation	President & Whole Time Director	Independent Director	Independent Director	Nominee Director	Non-Executive Director
Date of first appointment on the Board	10th August, 2006	1st February, 2016	1st July, 2012	14th June, 2021	13th August, 2019
Qualifications	Bachelor of Business Administration, The University of Texas	Chartered Accountant (Institute of Chartered Accountaants Of India)	Bachelor of Science (Chemistry)	Bachelor in Statistic & Diploma in Computer Managament	Bachelor in Pharmacy
Brief resume of the Director	Mr. Uddhav Kanoria has More than 15 years of experience in the field of strategic business development and managing business operations. He currently heads the exports and Institutional division.	Mrs. Neha Gada is a Chartered Accountant by profession. She is the founder and Proprietor of N.R. Gada & Associates, Mumbai, since July 2007. She has worked with renowned Chartered Accountant firms at Mumbai. She was associated with Bombay Stock Exchange Ltd., as Manager (Department of Corporate Services and Department of Surveillance & Supervision) and worked with ICICI Bank Ltd., as Product Compliance Head – NRI Services. She has over 16 years of professional work experience which helps her in rendering timely services for Companies in Listing of their Securities, Takeover Code, IPO documentation etc.	Mr. Sanat Shirali has a dynamic career of over 4 decades in the Pharma industry. He has been highly successful in driving large scale revenue and profit gains as well as improving on organisational productivity and performance. He is well organised with a track record that demonstrates self-motivation, entrepreneurial ability, creativity, and initiative to achieve corporate goals.	Mrs. Girija Subramanian is a Fellow of the Insurance Institute of India and an Associate of the Chartered Insurance Institute, London. Mrs. Girija has over 3 decades of experience in various reinsurance departments, primarily in Aviation, Life, Health and Property classes. Ms. Girija Subramanian is presently the General Manager at General Insurance Corporation of India (GIC) and handles the Claims Vertical which takes care of all non-life claims across all classes of business.	Mr. Rakesh Kanyadi is B. Pharm graduate with over 18 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.
Experience and expertise in specific functional area	Strategic Business Development & Business Operations	Financial Market Adviser	Sales and Marketing	Insurance Services	Plant Operations – Technical
Shareholding in the Company	NIL	NIL	NIL	NIL	NIL
Details of remuneration last drawn (FY 2020-21)	₹41.87 Lakhs	Only sitting fee is paid.	Only sitting fee is paid.	Only sitting fee is paid.	₹ 21.50 Lakhs
Directorship held in others bodies corporate as on 31st March, 2021	1. Broach Textile Mills Limited (Full Pledged Public Co) 2. Sudarshan Exports Limited	1. Asian Star Company Limited 2. Lykis Limited 3. Tamboli Capital Limited 4. Dhhanish Advisors Private Limited	NONE	NONE	NONE
Membership/ chairmanship of Committees of other companies as on 31st March, 2021	NONE	Member- 1. Audit Committee- Lykis Limited. 2. Audit Committee- Tamboli Capital Limited.	NONE	NONE	NONE

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT 98TH ANNUAL GENERAL MEETING :

Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 1.2.5 of Secretarial standards on General meetings are provided herein below:

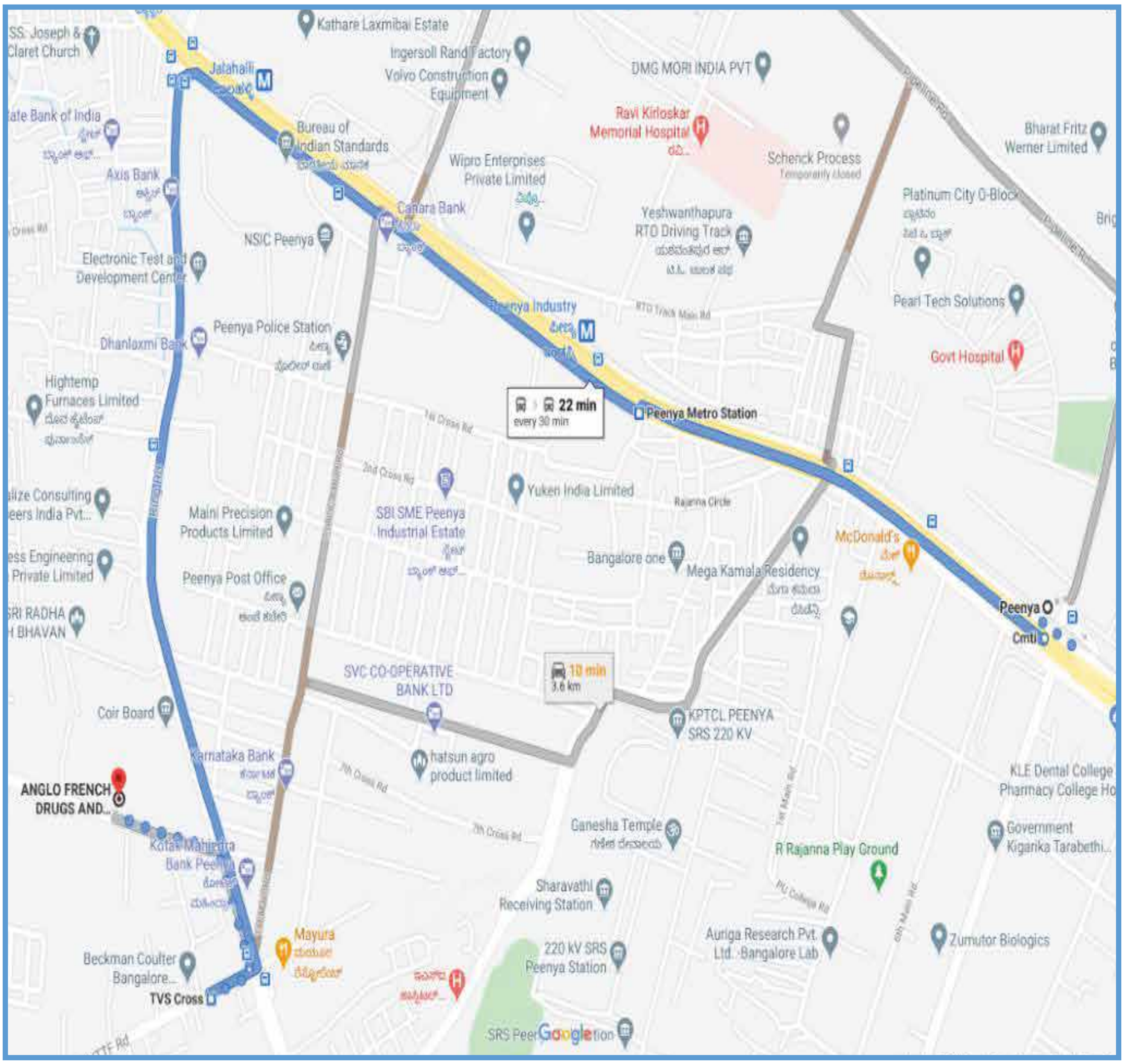
Name of the Director	**Mr. Uddhav Kanoria**	**Mrs. Neha Gada**	**Mr. Sanatkumar Shirali**	**Mrs. Girija Subramanian**	**Mr. Rakesh Kanyadi**
Inter-se relationship with other director and Key managerial personnel	1. Mr. Abhay Kanoria (Father)- Chairman & Managing Director 2. Mr. Nirbhay Kanoria (Brother)- President & Whole-Time Director	NONE	NONE	NONE	NONE
Number of Board meetings attended during the year	4 of 5	5 of 5	4 of 5	NIL	5 of 5
Terms & conditions of re-appointment/ variation of remuneration	Refer Explanatory Statement Item No 5	Refer Explanatory Statement Item No 6	Refer Explanatory Statement Item No 7	Refer Explanatory Statement Item No 8	Refer Explanatory Statement Item No 9

Route Map for Annual General Meeting Venue

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

Date: Friday, 13th August, 2021 at 4.30 p.m.

Plus Code: 2GJ8+6W. Bengaluru, Karnataka



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

ATTENDANCE SLIP

I hereby record my presence at the Ninety Eighth (98th) Annual General Meeting held on Friday, 13th August, 2021 at 4.30 p.m. at Plot No.4, Phase II, Peenya Industrial Area, Peenya, Bengaluru- 560058, Karnataka.

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

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

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

____

Signature of the Shareholder/Proxy

ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED

CIN: L24230KA1923PLC010205

Registered Office: No.41, 3rd Cross, V Block, Rajajinagar, Bengaluru – 560010

Email ID: compliance@afdil.com **Website:** www.afdil.com

PROXY FORM

(Form No.MGT-11)

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

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

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

1) ___________________________of______________________having e-mail ID______________________________or failing him/her

2) ___________________________of______________________having e-mail ID______________________________or failing him/her

3) ___________________________of______________________having e-mail ID______________________________or failing him/her

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Friday, 13th August, 2021 at 4.30 p.m. at Plot No.4, Phase II, Peenya Industrial Area, Peenya, Bengaluru- 560058, Karnataka, and at any adjournment thereof in respect of such resolutions as are indicated below:

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

Resolution No.	Description	I assent to the resolution	I dissent to the resolution
1.	To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company, for the financial year ended 31st March, 2021 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, 2021.		
3.	To appoint a Director in place of Mr. Rakesh Kanyadi (DIN: 08532438), who retires by rotation and being eligible, offers himself for re-appointment		
4.	Appointment & Ratification of remuneration of Cost Auditors of the Company for the Financial Year 2021-22.		
5.	Re-appointment of Mr. Uddhav Kanoria (DIN: 00108909) as President & Whole-time Director		
6.	Re-appointment of Mrs. Neha Gada (DIN: 01642373) as Independent Director.		
7.	Change in designation of Mr. Sanatkumar Shirali (DIN: 05260386) as Independent Director.		
8.	Appointment of Mrs. Girija Subramanian (DIN: 09196957) as Nominee Director, in place of Mr. Shashikant More (DIN: 08397618)		
9.	Appointment of Mr. Rakesh Kanyadi (DIN: 08532438) as Non-Executive Director for 3 years and payment of remuneration in accordance with Schedule V of Companies Act, 2013		

Signed this _____ Day of August, 2021.

Affix Revenue Stamp of not less than ₹ 1/-

____

Signature of Shareholder

____

Signature of Proxy holder (s)

Notes:

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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

Board of Directors:

Mr. Abhay Kanoria	Chairman & Managing Director
Mr. Uddhav Kanoria	President & Whole-time Director
Mr. Nirbhay Kanoria	President & Whole-time Director
Mr. Sanatkumar Manjunath Shirali	Non - Executive Director - (Independent Director w.e.f 14.06.2021)
Mr. Nalagath Ahmedali	Independent Director
Mrs. Neha Gada	Independent Director
Dr. Rajeshwar B Smarta	Independent Director
Mr. Rakesh P Kanyadi	Non- Executive Director
Mrs. Girija Subramanian	Nominee Director (w.e.f 14.06.2021)

Chief Financial Officer
Mr. Harshwardhan Murarka

Company Secretary
Mrs. Deepa Ramachandran

Statutory Auditors
M/s KAMG & Associates
Chartered Accountants

Secretarial Auditors
M/s Swaroop Suri & Associates
Company Secretaries

Cost Auditors
M/s GM & Associates
Cost Accountants

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

Bankers
HDFC Bank Limited
YES Bank Limited

Foreign Subsidiary
Anglo-French Drugs & Industries PTE Ltd.
Singapore

Registered Office
Anglo-French Drugs & Industries Ltd.
No. 41, 3rd Cross, V Block, SSI Area,
Rajajinagar, Bengaluru – 560010
Karnataka, India
Website: www.afdil.com

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

Stock Exchange
Metropolitan Stock Exchange of India Ltd (MSEI)

Registrars & Share Transfer Agents
Canbank Computer Services Limited
J P Royale,1st Floor, No.218
2nd Main, Sampige Road
(Near 14th Cross), Malleswaram
Bengaluru - 560 003
Tel Nos. 080-23469661/62 , 23469664/65
Fax Nos. 080-23469667
Email: Canbankrta@ccsl.co.in

Contents	Page No.

BOARD'S REPORT

To,

The Members,

Your Directors have pleasure in presenting the 98th Annual Report of the Company along with Audited Standalone and Consolidated Financial Statements for the year ended 31st March 2021. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. FINANCIAL SUMMARY AND RESULTS

The summary of consolidated (Company and its Wholly Owned Subsidiary) operating results for the year and Appropriation of divisible profits is given below:

(All figures are in ₹ in Lacs)

Particulars	Financial Year 2020-2021		Financial Year 2019-2020	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from Operations	15340	15378	13013	13018
Other Income	89	102	62	155
Profit before Depreciation, Tax and after exceptional Items	1167	1208	620	776
Depreciation & Amortization	246	246	254	254
Net profit before tax	**921**	**962**	**281**	**366**
Provisions for tax				
a. Current Tax	174	174	55	55
b. Deferred Tax	38	38		
Profit after Tax	**709**	**750**	**226**	**311**
Other comprehensive incomes (expenses)	(28)	(28)	(24)	(24)
Total Comprehensive Income	**681**	**722**	**202**	**287**

Note: The above results are in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with the (Indian Accounting Standards) Rules, 2015 as amended and other Generally Accepted Accounting Principles (GAAP) in India. Accordingly, previous period's figures have been reclassified/regrouped, wherever necessary.

2. SHARE CAPITAL

a. Authorized Share Capital- The authorised share capital of the Company as on 31st March, 2021 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.

b. Issued, Subscribed and Paid-up Share Capital -

The issued, subscribed and paid-up share capital of the Company as at 31st March, 2021 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 financial year under review, the Company has allotted 1,29,000 equity shares to Promoter & Promoter Group on a preferential basis by way of private placement.

Pursuant to the provisions of section 124 (5) of the Companies Act, 2013 read with the IEPF Rules, the Company has transferred 1,980 shares belonging to the shareholders who did not continuously claim dividend for seven years consecutively from the financial year 2012- 13 to IEPF Account, the details of which are placed on the website of the Company.

3. DIVIDEND

The Board has recommended final dividend of ₹ 1.50/- per equity share of face value of ₹ 10/- [Rupees Ten Only] @ 15% for the year ended 31st March, 2021.

4. FINANCIAL HIGHLIGHTS AND OPERATIONS

This year has witnessed the devastation caused by COVID-19 on a scale never before in history and one hopes that will never be repeated again. It has caused phenomenal losses. In human terms, almost 3 cr people were hit by the disease of which about 3.5 lac people lost their lives. Many more crores were rendered jobless and 2020 saw the movement of an estimated 4 cr workers across the country, more than the movement during the partition of India. Entire segments of occupation across our country had to scale down operations and some even closed down. Your directors like the rest of the country are deeply saddened by this tragedy. We look forward to a quick and speedy recovery and settling down to the new normal.

Your company's consolidated sales & operating income rose to ₹ 15480 lacs from ₹ 13173 lacs last year with a growth of 17.5%. Net Profit before tax rose by 163% to ₹ 962 lacs from ₹ 366 last year.

In September 2020, your Company launched a new division, Nutralogicx, focusing on nutraceuticals for healthier aging. It has 8 Products and got a revenue of ₹ 120 lacs in 6 months. In the trade division, an immunity booster and a digestive enzyme were launched. In the coming months and year, 6 new products are planned in the anti-infective and anti-allergic segments and line extensions.

Fund Raised during FY 2020-2021

During the financial year under review, the Company raised equity capital by way of a preferential allotment of 1,29,000 equity shares of ₹ 10/- each at an issue price of ₹ 180 per share from "Ninaad Finance & Properties Private

Limited", an entity belonging under promoters/members of the promoter group category, on preferential basis through private placement pursuant to the special resolution passed by Members of the Company through Postal Ballot on 6th November, 2020. The Board of Directors at their meeting held on 10th November, 2020 approved the allotment of said equity shares and acknowledged the receipt of consideration.

5. DIRECTORS & KEY MANAGERIAL PERSONNEL

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

As on 31st March, 2021, the Company had 9 (Nine) Directors details of which are as under:

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

* Out of the Independent Directors, the Company does have One Woman Director on the Board of the Company.

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

Independent Directors are non-executive directors as defined under Regulation 16(1) (b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. The Company has issued a formal letter of appointment to the Independent Directors in the manner as provided in the Act and SEBI Listing Regulations.

A. Appointment/Re-appointment:

As the tenure of Mrs. Neha Gada (DIN: 01642373) as Independent Director ended on 31st January, 2021, the Board of Directors at their meeting held on 10th February, 2021 as recommended by Nomination and Remuneration Committee re-appointed Mrs. Neha Gada as an Independent Director of the Company for another term (Second term) of 5 consecutive years commencing from 1st February, 2021 to 31st January, 2026. The Company has received necessary declarations from Mrs. Neha Gada under Section 149 (7) and other applicable provisions of the Act that she meets the criteria of independence laid down in the Act and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ("Listing Regulations"). Mrs. Neha Gada is not related to any Director on the Board of the Company. A brief profile and other details as required under the Act, Secretarial Standard -2 and Listing Regulations of Mrs. Neha Gada who is proposed to be re-appointed is annexed to the notice convening the Annual General Meeting.

A Special Resolution seeking her re-appointment as Independent Director is being placed before the members for approval.

As the tenure of Mr. Uddhav Kanoria (DIN: 00108909) appointed as President & Whole-Time Director of the Company will end on 9th August, 2021, the Board of Directors at their meeting held on 10th February, 2021 as recommended by Nomination and Remuneration Committee considered and approved the re-appointment of Mr. Uddhav Kanoria (DIN: 00108909) as the President & Whole-time Director in the Company for a further period of 3 (three) years commencing from 10th August, 2021 to 9th August, 2024. The remuneration payable to Mr. Uddhav Kanoria, President & Whole-time Director of the Company shall be on the same terms & conditions as approved by special resolution passed by Members through postal ballot on 6th November, 2020. A brief profile and other details as required under the Act, Secretarial Standard-2 and SEBI Listing Regulations, 2015 of Mr. Uddhav Kanoria who is proposed to be re-appointed is annexed to the notice convening the Annual General Meeting.

A Special Resolution seeking his re-appointment as President & Whole-Time Director is being placed before the members for approval.

In accordance with the provisions of the Section 152(6) (e) of the Companies Act, 2013 and the Articles of Association of the Company; Mr. Rakesh Kanayadi (DIN: 08532438), Non-Executive Director will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Rakesh Kanyadi (DIN: 08532438) was appointed as a Director on Board of the Company w.e.f. 13th August, 2019 and his appointment was ratified by Members at the 97th Annual General Meeting of the Company on 29th September, 2020. The Ministry of Corporate Affairs ("MCA") vide Notification dated 18th March, 2021 brought out an amendment to Section II of Part II under Schedule V of Companies Act, 2013 wherein limits have been prescribed for remuneration payable to other Directors. In order to align the appointment and remuneration payable to Mr. Rakesh Kanyadi, Non-Executive Director with the amended provisions, the Board of Directors at their Meeting held on 14th June, 2021 based on recommendation of the Nomination and Remuneration Committee approved the appointment of Mr. Rakesh Kanyadi as Non-Executive Director for a period of 3 (three) years w.e.f. 14th June, 2021 to 13th June, 2024. Mr. Rakesh Kanyadi will be entitled to sitting fees for attending Meetings of the Board or any Committees thereof. A brief profile and other details as required under the Act, Secretarial Standard-2 and SEBI Listing Regulations, 2015 of Mr. Rakesh Kanyadi who is proposed to be appointed is annexed to the notice convening the Annual General Meeting.

The appointment and remuneration payable to Mr. Rakesh Kanyadi shall be subject to approval of Members of the Company through a special resolution to be passed at the ensuing Annual General Meeting.

Mr. Sanatkumar Shirali (DIN: 05260386) was appointed as Non-Executive Director on Board of the Company from 1st July, 2012. Since, Mr. Sanatkumar Shirali meets all the criteria of Independence, Board of Directors in consultation with and as recommended by the Nomination and Remuneration Committee considered the change in designation of Mr. Sanatkumar Shirali by re-designating him as an Independent Director on Board of the Company w.e.f. 14th June, 2021 for a period of 5 (five) years upto 13th June, 2026 not liable to retire by roatiation. The Company has received necessary declarations from Mr. Sanatkumar Shirali under Section 149 (7) and other applicable provisions of the Act that he meets the criteria of independence laid down in the Act and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ("Listing Regulations"). Mr. Sanatkumar Shirali is not related to any Director on the Board of the Company. A brief profile and other details as required under the Act, Secretarial Standard -2 and Listing Regulations, of Directors proposed to be appointed is annexed to the notice convening the Annual General Meeting.

A Special Resolution seeking his appointment as Independent Director is being placed before the members for approval.

Mrs. Girija Subramanian (DIN: 09196957) is being appointed as a Nominee Director in place of Mr. Shashikant More. The General Insurer's (Public Sector) Association of India has nominated Mrs. Girija Subramanian (DIN: 09196957) to act as Nominee Director on Board of the Company in place of Mr. Shashikant More. Mr. Shashikant More's Directorship as Nominee Director on Board of the Company ceased w.e.f. 14th June, 2021, on account of him attaining superannuation/retirement. The Board of Directors at their meeting held on 14th June, 2021 based on the communication received from General Insurer's (Public Sector) Association of India and recommendation of the Nomination & Remuneration Committee considered and approved appointment of Mrs. Girija Subramanian (DIN : 09196957), representative of General Insurer's (Public Sector) Association of India as Nominee Director on Board of the Company w.e.f. 14th June, 2021. A brief profile and other details as required under the Act, Secretarial Standard -2 and Listing Regulations, of Directors proposed to be appointed is annexed to the notice convening the Annual General Meeting.

The appointment of Mrs. Girija will be subject to approval of shareholders by passing a resolution to this effect.

The Company has obtained a Certificate from M/s Swaroop Suri & Associates, Practicing Company Secretaries, pursuant to Regulation 34(3) read with Schedule V para C clause 10 (i) of the SEBI Listing Regulations that none of the Directors on the Board of the Company were debarred or disqualified from being appointed or continuing as Director on the Board by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other Statutory Authority.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31st March, 2021 are:

- Mr. Abhay Kanoria
  Chairman & Managing Director
- Mr. Uddhav Kanoria
  President & Whole-time Director
- Mr. Nirbhay Kanoria
  President & Whole-time Director
- Mr. Harshwardhan Murarka
  Chief Financial Officer
- Ms. Deepa Ramachandran
  Company Secretary & Compliance Officer

B. Declaration by Independent Directors

The Independent Directors of the Company have submitted the declaration of Independence as required under Section 149(6) of the Companies Act, confirming that they meet the criteria of independence under Section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as Independent Director during the year.

The Independent Directors confirmed that they have registered themselves with the Independent Director's database maintained by IICA.

C. Company's Policy on Director's Appointment and Remuneration, etc.

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/investor-relations.html#

D. 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.

6. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS

In line with the Corporate Governance Guidelines of the Company, annual performance evaluation was conducted for all Board Members, for Individual Directors including Independent Directors, its Committees and Chairman of the Board. The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013 and the Listing Regulations.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Individual Directors, the Board as a whole and its Committees with the Company.

In a separate meeting of Independent Directors held on 10th February, 2021 performance of Non-Independent directors, performance of the Board as a whole and performance of the Chairperson of the Company was evaluated.

7. 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.

8. MEETINGS OF BOARD AND COMMITTEES:

A. BOARD MEETINGS:

Five (5) Board Meetings were held during the financial year 2020-21. The dates on which the Board Meetings were held are as follows:

22nd June, 2020	3rd September, 2020
14th September, 2020	10th November, 2020
10th February, 2021	

Proper notices were given and the proceedings were properly recorded and signed in the Minutes Book as required by the Articles of Association of the Company and the Companies Act, 2013.

The necessary quorum was present at all the meetings.

B. COMMITTEE MEETINGS:

The Company has following Statutory Committees of the Board:

I. Audit Committee;

II. Stakeholders Relationship Committee; and

III. Nomination and Remuneration Committee

The composition of each of the above Committees is as per the provisions of the Companies Act, 2013 and voluntary compliance under Regulation 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof.

The policies framed by the Company is made available on the Company's Website at https://www.afdil.com/investor-relations.html#

The terms of reference and composition of the Committees as per the applicable provisions of the Companies Act, Rules made thereunder and the SEBI Listing Regulations are as follows:

The composition of the Audit Committee as at 31st March, 2021 and the details of meetings attended by the Members during the FY 2020-2021 are given below:

I. Audit Committee:

The Audit Committee of the Company is constituted in accordance with Section 177 of the Companies Act, 2013. As on 31st March, 2021 the Audit Committee comprised of 3 Directors, 2 of whom are Independent Directors.

The role and terms of reference of the Committee include the matters specified under Section 177 of the Companies Act, 2013:

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

The composition of the Audit Committee as at 31st March, 2021 and the details of meetings attended by the Members during the FY 2020-2021 are given below:

Composition of Audit Committee and Attendance during the FY 2020-2021			
Name of Members	**Designation/ Category**	**No. of Committee Meetings held and attended during the FY 2020-2021**	
		Held	**Attended**
Mr. N. Ahmedali	Chairman (Non-Executive & Independent Director)	5	5
Mrs. Neha Gada	Member (Non-Executive & Independent Director)	5	5
Mr. Abhay Kanoria	Member (Executive Director)	5	5

During the year 2020-2021, Five (5) Audit Committee meetings were held on following dates:

22nd June, 2020	3rd September, 2020
14th September, 2020	10th November, 2020
10th February, 2021	

The Company Secretary acts as the Secretary of the Committee.

II. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company is constituted in accordance with Section 178 of the Companies Act, 2013. As on 31st March, 2021 the Nomination and Remuneration Committee comprised of 4 Directors, 3 of whom were Non-executive Directors.

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

- To formulate criteria for determining qualifications, positive attributes and independence of a Director;
- Recommend to the Board the appointment/ re-appointment of Directors and Key Managerial Personnel;
- Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors.
- Overall familiarisation programmes with Directors;
- Recommend to the Board the Remuneration policy for Directors, executive team or Key Managerial Personnel as well as rest of the employees.

Composition of Nomination & Remuneration Committee and Attendance during the FY 2020-21			
Name of Members	**Category**	**No. of Committee Meetings held and attended during the FY 2020-21**	
		Held	**Attended**
Mr. N. Ahmedali	Chairman (Non-Executive & Independent Director)	2	2
Mr. Abhay Kanoria	Member (Executive Director)	2	2
Mr. Sanat Shirali*	Member (Non-Executive & non Independent Director)	2	2
Dr. R.B. Smarta	Member (Non-Executive & Independent Director)	2	2

Mr. Sanat Shirali was re-designated as Independent Director w.e.f 14th June, 2021.

During the year 2020-21, Two (2) Nomination and Remuneration Committee meetings were held on

14th September, 2020	10th February, 2021

The Company Secretary acts as the Secretary of the Committee.

The policy is available at Company's website www.afdil.com

III. Stakeholder's Relationship Committee:

The Stakeholder's Relationship Committee of the Company is constituted in accordance with Section 178 of the Companies Act, 2013. As on 31st March, 2021 the Stakeholder's Relationship Committee comprised of 4 Directors, 2 of whom are Non-Executive Directors.

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

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

Name of Members	Category
Mr. N. Ahmedali	Non-Executive & Independent Director
Mr. Uddhav Kanoria	Executive & Whole-Time Director
Mr. Nirbhay Kanoria	Executive & Whole-Time Director
Mr. Sanat Shirali*	Non-Executive & Non Independent Director

*Mr. Sanat Shirali was re-designated as Independent Director w.e.f 14th June, 2021.

During the year under review, one meeting of Stakeholders' Relationship Committee was held on 10th February 2021. All the members of the Committee attended the meeting. The Company Secretary acts as the Secretary of the Committee.

Name, designation and address of Compliance Officer, Nodal Officer for IEPF Compliances:

Ms. Deepa Ramachandran
Company Secretary and Compliance Officer
Anglo-French Drugs & Industries Ltd
No.41, 3rd Cross, V Block, SSI Area,
Rajajinagar, Bengaluru- 560010
Email id for correspondence: compliance@afdil.com

IV. General Body Meetings:

a. **Annual General Meeting –** The 97th Annual General Meeting of the Company was held on 29th September, 2020.

b. During the year, the Company conducted the postal ballot exercise in compliance with Sections 108, 110 and other applicable provisions of the Act and Rules made thereunder and Regulation 44 of the SEBI Listing Regulations. The results of the postal ballot exercise were also displayed on the website of the Company https://www.afdil.com/investor-relations.html# besides being communicated to the Metropolitan Stock Exchange of India Ltd. (MSEI). The last date i.e 10th November, 2020 specified by the Company for receipt of duly completed Postal Ballot forms for e-voting is deemed to be the date of passing of the resolution.

9. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of Companies Act, 2013, your Directors state, on the basis of information furnished by the Management and Auditors of the Company, that:

i. The financial statements have been prepared in conformity with the applicable Accounting Standards and requirements of the Companies Act, 2013, ("the Act") to the extent applicable to the Company; on the historical cost convention; as a going concern and on the accrual basis. There are no material departures in the adoption of the applicable Accounting Standards.

ii. The Board of Directors have selected such accounting policies and 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 Board of 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 Board of 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.

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

vi. The financial statements have been audited by M/s KAMG & Associates, Chartered Accountants (FRN311027E), the Company's Auditors.

10. AUDITORS

a) Statutory Auditors:

In compliance with the Companies (Audit and Auditors) Rules 2014, M/s KAMG & Associates, Chartered Accountants (FRN311027E) has been appointed as the Statutory Auditors of the Company, till the conclusion of 99th Annual General Meeting of Company i.e. for the F.Y-2021-22, as approved by the Members.

The observations made by the Auditors in their Report read with the relevant notes as given in the Notes to Accounts for the year ended 31st March, 2021 are self-explanatory and therefore do not call for any further comments under Section 134 of the Companies Act, 2013 as it does not contain any qualification, reservation or adverse remark. The Auditors report is enclosed with the financial statement in this Annual Report.

b) Cost Auditors:

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, on the recommendation of the Audit Committee, at its meeting held on 14th June, 2021, has approved the appointment of Rao, Murthy & Associates, Cost Accountants, Bengaluru (Firm Registration No. 000065) 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 2021-2022.

The report of Cost Auditors will be filed with the Central Government within the prescribed time lines.

c) Secretarial Auditors

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 14th June, 2021 have appointed M/s Swaroop Suri & Associates, Practising Company Secretaries, for conducting the Secretarial Audit of the Company for the Financial Year 2021-2022.

The Secretarial Audit report issued by M/s. Swaroop Suri & Associates, Practising Company Secretary for the financial year ended 31st March, 2021 is annexed as **Annexure I** to this report. The audit report does not contain any adverse remark or qualifications.

d) Internal Auditors:

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 2020-2021.

11. SUBSIDIARIES

There is only one Wholly Owned Subsidiary Viz., Anglo-French Drugs & Industries Pte. Ltd., Singapore. As required under Rule 8(1) of the Companies (Accounts) Rules, 2014, the Board's Report has been prepared on standalone financial statements and a report on performance and financial position of Wholly Owned Subsidiary included in the consolidated financial statements is included in the financial statements.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company at https://www.afdil.com/investor-relations.html#

12. CORPORATE GOVERNANCE

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

13. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has established a vigil mechanism/framed a whistle blower policy. The policy enables the employees and other stakeholders to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. No personnel has 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 https://www.afdil.com/investor-relations.html#

14. 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.

15. QUALITY

The quality function at AFDIL has been at the forefront when it comes to healthcare. The products manufactured are of the highest quality, most safe 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.

16. PARTICULARS OF CONTRACTS & ARRANGEMENTS WITH RELATED PARTIES:

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

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

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

The Company has formulated a Related Party Transactions Policy which is available on the website of the Company https://www.afdil.com/investor-relations.html#

17. 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.

18. PARTICULARS OF EMPLOYEES AND REMUNERATION

The total number of employees of the company as on 31st March, 2021 was 653 as against 532 as on 31st March, 2020.

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

In terms of first proviso to Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employee's particulars as required pursuant to provisions of Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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.

19. 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.

20. DISCLOSURES 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.

21. 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.

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

23. 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.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The Information required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure IV** to the Report and forms a part of this Report.

25. EXTRACTS OF ANNUAL RETURN

The extract of the Annual Return required under Section 134 (3) (a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules 2014 is annexed here with as **Annexure V**.

26. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to applicable provisions of Companies Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all unpaid and unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India after the completion of 7 years. Further according to the Rules, the shares on which the dividend has not been paid or claimed by the shareholders for 7 consecutive years or more shall be transferred to the demat account of the IEPF authority. Accordingly, the Company has transferred the unclaimed and unpaid dividends of ₹ 93,300 (Rupees Ninety Three Thousand Three Hundred Only). Further, corresponding shares shall be transferred as per the requirements of the IEPF rules. The details are made available on Company's website at https://www.afdil.com/investor-relations.html#

27. 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, 2021, no cases of sexual harassment were reported in your Company.

28. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The disclosure as per Section 135 and Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable to the Company.

29. GREEN INITIATIVES

Electronic copies of the Annual Report 2020-2021 and the notice of the 98th Annual General Meeting are sent to all members whose e-mail addresses are registered with the Company/Depository Participants.

30. ACKNOWLEDGEMENTS

Your Directors acknowledge with gratitude the continued support, patronage and co-operation received from the Medical Profession, 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: Bengaluru
Date: 14th June, 2021

Abhay Kanoria
Chairman & Managing Director
(DIN: 00108894)

ANNEXURE I

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

(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 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Boardprocesses 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 2021 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, 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018;

   d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - **Not Applicable as the Company has not issued any shares during the year under review;**

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable as the Company has not issued any shares during the year under review;**

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; - **Not Applicable as the Company has not issued any shares during the year under review;**

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **Not Applicable as the Company has not issued any shares during the year under review; and**

   i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Employees Provident Fund and Miscellaneous Provisions Act, 1952

(vii) Employees State Insurance Act, 1948

(viii) Environment Protection Act, 1986 and other applicable environmental laws

(ix) Indian Contract Act, 1872

(x) Income Tax Act, 1961, Goods and Service Tax Act, 2017 and other related laws

(xi) Payment of Bonus Act, 1965

(xii) Payment of Gratuity Act, 1972 and such other applicable labour laws.

(xiii) 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;

iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

iv) 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 at least seven days 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, no major action having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. above have taken place except for:

a) Preferential Issue of equity shares to the promoters;

b) Necessary disclosure on the website.

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

Swaroop S.
Proprietor
FCS No. 8977 CP No. 9997

Place: Bengaluru
Date: 11-06-2021
UDIN: F008977C000447021

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. We have conducted online verification & examination of records, as facilitated by the Company, due to Covid-19 and subsequent lockdown situation for the purpose of issuing this report.

3. Our responsibility is to express an opinion on these secretarial records standards and procedures followed by the Company with respect to secretarial compliances.

4. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.

   Due to COVID-19 scenario, the verification of documents, records, information was done on test basis to ensure that correct facts are reflected in Secretarial records.

   We believe that the process and practices, we followed provide a reasonable basis for our opinion.

5. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

Disclaimer

6. 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.

7. 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

Swaroop S.
Proprietor
FCS No. 8977 CP No. 9997

Place: Bengaluru
Date: 11-06-2021

ANNEXURE II

FORM NO. AOC -2

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

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

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

   There were no contracts or arrangements or transactions entered into during the year ended March 31, 2021, 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 31 March, 2021, which are at arm's length basis are as follows.

Sr. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Mr. Abhay Kanoria/Mrs. Pallavi Kanoria
2.	Nature of contracts/ arrangements/ transaction	Payment of monthly rent for the Flat located at Bengaluru leased to the Company.
3.	Duration of the contracts/ arrangements/ transaction	Agreement renewed from 15-07-2020
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Rent Mr. Abhay Kanoria - ₹ 11,29,318 /-P.A. Rent Mrs. Pallavi Kanoria - ₹ 11,29,318 /- P.A.
5.	Date of approval by the Board	22-06-2020
6.	Amount paid as advances, if any	Nil

On behalf of the Board of Directors,

Place: Bengaluru
Date: 14th June, 2021

Abhay Kanoria
Chairman & Managing Director
(DIN: 00108894)

ANNEXURE III

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

Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial year 2020-21 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial year 2020-21.

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 2020-2021
Directors			
Mr. Abhay Kanoria	Chairman & Managing Director	22.20	24.31%
Mr. Uddhav Kanoria	President & Whole-Time Director	15.11	9.75%
Mr. Nirbhay Kanoria	President & Whole-Time Director	12.59	18.34%
Mr. Rakesh Parmeshwar Kanyadi	Non-Executive Director	7.49	NA
Mr. Sanat Shirali	Non-Executive Director	0.29	Nil
Mr. N. Ahmedali	Independent Director	0.50	Nil
Mr. Shashikant More	Nominee Director	0.14	Nil
Dr. R.B. Smarta	Independent Director	0.25	Nil
Mrs. Neha Gada	Independent Director	0.36	Nil
Key Managerial Personnel			
Mr. Harshwardhan Murarka	Chief Financial Officer	4.59	18.53%
Ms. Deepa Ramachandran	Company Secretary & Compliance Officer	3.06	NA

Remuneration does not include commission for the financial year 2020-2021.

There is no change in remuneration paid to Nominee Directors.

Notes:

1) The Independent Directors are paid only Sitting Fees for attending the Board /Committee Meetings.

2) For the purpose of calculation of median remuneration, employees who have worked for part of the year were not considered.

3) The percentage increase in the median remuneration of employees in the financial year was 4.73%. For said calculation, employees who have worked for part of the year in FY 2020-21 were not considered to ensure comparability.

4) The number of permanent employees on the rolls of Company as on 31st March, 2021 was 653.

5) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

6) The average annual increase in the salaries of the employees during the year was 6% whereas increase in managerial remuneration for the year was NIL.

7) Affirmation that the remuneration is as per the remuneration policy of the Company. The Company affirms remuneration is as per the remuneration policy of the Company.

ANNEXURE IV

The Information required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March 2021.

A. CONSERVATION OF ENERGY:

a) Energy conservation measures taken b) Additional investments and proposals, if Any, being implemented for reduction of Consumption of energy. c) Impact of the measures at (a) and (b) For reduction of energy consumption And consequent impact on the cost of Production of goods.	The Company is constantly concerned about energy conservation, but having regard to the present level of consumption and the nature of activities, which are not energy Intensive, the need for taking special energy conservation measures has above not been immediately felt.
d) Total energy consumption and energy Consumption per unit of production.	Please refer **Form A** hereunder.

FORM A

[See Rule 2]

Form for disclosure of particulars with respect to conservation of energy.

A. Power and Fuel consumption:

	Current Year	Previous year
1. Electricity		
a) Purchased:		
Units	1233976	1396772
Total Amount [₹ in Lacs]	109	122
Rate/Unit [₹]	8.82	8.71
b) Own Generation:		
I. Through Diesel Generator		
Units	14274	23924
Units per Ltr. of Diesel Oil	2.78	2.28
Cost/Unit [₹]	27.22	29.98
II. Through Steam Turbine/Generator Units Units per Ltr. of Fuel Oil/Gas Cost/Unit [₹]	Nil	Nil
2. Coal Quantity (tonnes) Total Cost [₹]	Nil	Nil
3. Furnace Oil		
Quantity (Kilts)	Nil	Nil
Total Amount [₹ in 'Lacs]	Nil	Nil
Average Rate [₹ per Ltrs]	Nil	Nil
4. Others/internal generation Quantity Total Cost Rate/Unit	Nil	Nil

B. Consumption per unit of Production:

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

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.

		Current Year	Previous Year
4.	Expenditure on R & D :		
(a)	Capital [₹ in Lacs]	Nil	Nil
(b)	Recurring [₹ in 'Lacs]	31	33
(c)	Total [₹ in 'Lacs]	31	33
(d)	Total R&D expenditure as a percentage of total turnover	0.20%	0.25%

Technology absorption, adaptation and innovation

1.	Efforts in brief made towards technology absorption, adaptation and innovation	:	Regular absorption of updated technical information.
2.	Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution, etc.	:	Improved processes and operating efficiencies, cost reduction.
3.	In case of imported technology (imports during the last 5 years reckoned from the beginning of the financial year) following information may be furnished.		

a) Technology imported
b) Year of Import
c) Has technology been fully absorbed
d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.

Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

			Current Year	Previous Year
b)	Total foreign exchange used (₹ in lacs) :	:	68	79
	Total foreign exchange earned (₹ in lacs)	:	758	847

On behalf of the Board of Directors,

Date: 14th June, 2021
Place: Bengaluru

Abhay Kanoria
Chairman & Managing Director
(DIN: 00108894)

ANNEXURE V

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the Financial Year ended on 31-03-2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1.	CIN:	**L24230KA1923PLC010205**
2.	Registration Date:	**01/02/1923**
3.	Name of the Company :	**Anglo-French Drugs & Industries Ltd.**
4.	Category / Sub-Category of the Company:	**Company Limited by Shares/ Indian Non-Government Company**
5.	Address of the Registered office and contact details:	**No. 41, 3rd Cross, V Block, SSI Area, Rajajinagar, Bengaluru – 560010, Karnataka, India Tel No. 080-2315 6757, Fax No. 080 2338 9963**
6.	Whether listed Company:	**Yes – Listed on Metropolitan Stock Exchange of India Ltd.**
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any:	**Canbank Computer Services Limited, J.P. Royale, 1st Floor, #218, 2nd Main Sampige Road, Malleswaram, Bengaluru- 560 003 Tel No.080-23469661/62**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Manufacturing of Pharmaceutical Formulations	21002	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Anglo-French Drugs & Industries Pte Ltd, Singapore	201309075E	Wholly- Owned Subsidiary	100%	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holdings

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2020)				No. of Shares held at the end of the year (As on 31st March, 2021)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3,650	-	3,650	0.31%	3,650	-	3,650	0.28%	-0.03%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	1,29,000	-	1,29,000	9.99%	9.99%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other - Trusts	7,02,205	-	7,02,205	60.40%	7,02,205	-	7,02,205	54.37%	-6.03%
Sub Total (A) (1)	**7,05,855**	**-**	**7,05,855**	**60.72%**	**8,34,855**	**-**	**8,34,855**	**64.64%**	**3.92%**
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Banks/FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	**-**	**-**	**-**	**0.00%**	**-**	**-**	**-**	**0.00%**	**0.00%**
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	**7,05,855**	**-**	**7,05,855**	**60.72%**	**8,34,855**	**-**	**8,34,855**	**64.64%**	**3.92%**

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2020)				No. of Shares held at the end of the year (As on 31st March, 2021)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	0.00%			-	0.00%	0.00%
b) Banks / FI	-	150	150	0.01%		150	150	0.01%	0.00%
c) Central Govt	-	-	-	0.00%		-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%		-	-	0.00%	0.00%
e) Venture Capital Fund	-	-	-	0.00%		-	-	0.00%	0.00%
f) Insurance Companies	2,10,000	-	2,10,000	18.06%	2,10,000		2,10,000	16.26%	-1.80%
g) FIIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%		-	-	0.00%	0.00%
Sub-total (B)(1):	**2,10,000**	**150**	**2,10,150**	**18.08%**	**2,10,000**	**150**	**2,10,150**	**16.27%**	**-1.81%**
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	56,510	3,900	60,410	5.20%	61,200	3900	65,100	5.04%	-0.16%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Individual shareholders holding nominal share capital up to ₹ 2 lakh	61,440	84,860	1,46,300	12.58%	59,310	82,050	1,41,360	10.95%	-1.63%
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Others (specify)									
i) Non Resident Indians	425	-	425	0.04%	425	0	425	0.03%	-0.01%
ii) Investor Education and Protection Fund	36,690	-	-	3.16%	36,940	-	36,940	2.86%	-0.30%
iii) Hindu Undivided Family	2,670	-	2,670	0.23%	2670	0	2,670	0.21%	-0.02%
Sub-total (B)(2):-	**1,57,735**	**88,760**	**2,46,495**	**21.20%**	**1,60,545**	**85,950**	**2,46,495**	**19.09%**	**-2.11%**
Total Public Shareholding (B) = (B) (1) + (B) (2)	**3,67,735**	**88,910**	**4,56,645**	**39.28%**	**3,70,545**	**86,100**	**4,56,64 5**	**35.36%**	**-3.92%**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	**10,73,590**	**88,910**	**11,62,500**	**100.00%**	**12,05,400**	**86,100**	**12,91,500**	**100.00%**	**0.00%**

ii) Shareholding of Promoters

Sr. No.	Share holder's Name	Shareholding at the beginning of the year 01-04-2020			Shareholding at the end of the year 31-03-2021			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Binod Kumar Kanoria (HUF)	200	0.017	0	200	0.016	0	-0.01
2.	Prabhadevi Kanoria	3,450	0.297	0	3450	0.267	0	-0.03
3.	Abhay Kanoria (Trustee of Abhay Kanoria Family Trust)	7,02,205	60.405	0	7,02,205	54.371	0	-6.034
4.	Ninaad Finance and Properties Private Limited	0	0	0	1,29,000	9.99	0	9.99
	Total	**7,05,855**	**60.719**	**0**	**8,34,855**	**64.642**	**0**	**3.92**

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year as on 01-04-2020	7,05,855	60.719%	7,05,855	60.719%
2.	Date wise increase / Decrease in Promoters Shareholding during the year specifying The reasons for increase / decrease (e.g. allotment / transfer/ bonus/ sweat equity etc.):				
	No. of Shares allotted to Promoter & Promoter group on preferential basis by way of private placement.	0	0.00	1,29,000	9.99%
3.	At the end of the year as on 31-03-2021	7,05,855	60.719%	8,34,855	64.64%

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year (As on 01-04-2020)		Cumulative Share-holding during the year (As on 31-03-2021)	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	**LIFE INSURANCE CORPORATION OF INDIA**					
	At the beginning of the year		90000	7.74		
	Date wise increase(+)/decrease (-) with reasons, during the year:		0	0.00	0	0.00
	At the end of the year				90000	6.97
2.	**RELIANCE NET LIMITED**					
	At the beginning of the year		47650	4.10		
	Date wise increase(+)/decrease (-) with reasons, during the year:		0	0.00	0	0.00
	At the end of the year				47650	3.69
3.	**GENERAL INSURANCE CORPORATION OF INDIA**					
	At the beginning of the year		45000	3.87		
	Date wise increase(+)/decrease (-) with reasons, during the year:		0	0.00	0	0.00
	At the end of the year				45000	3.48
4.	**NATIONAL INSURANCE COMPANY LTD**					
	At the beginning of the year		37500	3.23		
	Date wise increase(+)/decrease (-) with reasons, during the year:		0	0.00	0	0.00
	At the end of the year				37500	2.90
5.	**THE NEW INDIA ASSURANCE COMPANY LIMITED**					
	At the beginning of the year		37500	3.23		
	Date wise increase(+)/decrease (-) with reasons, during the year:		0	0.00	0	0.00
	At the end of the year				37500	2.90
6.	**INVESTOR EDUCATION AND PROTECTION FUND**					
	At the beginning of the year		36690	3.16		
	Date wise increase(+)/decrease (-) with reasons, during the year :					
	Date	**Reason**				
	23-02-2021	Transfer	250	0.02	36940	2.86
	At the end of the year				36940	2.86

Sr. No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year (As on 01-04-2020)		Cumulative Share-holding during the year (As on 31-03-2021)	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
7.	**3A CAPITAL SERVICES LIMITED#**					
	At the beginning of the year		0	0.00		
	Date wise increase(+)/decrease (-) with reasons, during the year :					
	Date	**Reason**				
	23-10-2020	Purchase	50	0.004	50	0.004
	13-11-2020	Purchase	50	0.004	100	0.008
	04-12-2020	Purchase	100	0.008	200	0.015
	11-12-2020	Purchase	50	0.004	250	0.019
	18-12-2020	Purchase	50	0.004	300	0.023
	25-12-2020	Purchase	50	0.004	350	0.027
	22-01-2021	Purchase	50	0.004	400	0.031
	29-01-2021	Purchase	200	0.015	600	0.046
	05-02-2021	Purchase	200	0.015	800	0.062
	12-02-2021	Purchase	240	0.018	1040	0.080
	19-02-2021	Purchase	50	0.004	1090	0.084
	26-02-2021	Purchase	1500	0.116	2590	0.200
	05-03-2021	Purchase	1000	0.077	3590	0.278
	12-03-2021	Purchase	100	0.008	3690	0.286
	19-03-2021	Purchase	50	0.004	3740	0.289
	26-03-2021	Purchase	50	0.004	3790	0.293
	31-03-2021	Purchase	500	0.039	4290	0.332
	At the end of the year				4290	0.33
8.	**PADMANABH TRADING (P) LTD.**					
	At the beginning of the year		4200	0.36		
	Date wise increase(+)/decrease (-) with reasons, during the year:		0	0.00	0	0.00
	At the end of the year				4200	0.32
9.	**JYOTSNA JITENDRA DESAI**					
	At the beginning of the year		3950	0.34		
	Date wise increase(+)/decrease (-) with reasons, during the year:		0	0.00	0	0.00
	At the end of the year				3950	0.30
10.	**THAKKAR BINA J**					
	At the beginning of the year		3650	0.31		
	Date wise increase(+)/decrease (-) with reasons, during the year:		0	0.00	0	0.00
	At the end of the year				3650	0.28
11.	**TRENDSETTER INVESTMENTS PVT. LTD.**					
	At the beginning of the year		2350	0.20		
	Date wise increase(+)/decrease (-) with reasons, during the year:		0	0.00	0	0.00
	At the end of the year				2350	0.18

#Not in the list of Top 10 shareholders as on 1st April, 2020 but the same is shown above since the shareholder was one of the Top 10 Shareholders as on 31st March, 2021.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year as on 01-04-2020	0	0	0	0
2.	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):	0	0	0	0
3.	At the end of the year as on 31-03-2021.	0	0	0	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year – CC/TL as on 01-04-2020				
(i) Principal Amount	2063.85	1922.00	NIL	3985.85
(ii) Interest due but not paid	0.00	151.93	NIL	151.93
(iii) Interest accrued but not due	8.18	0.00	NIL	8.18
Total (i+ii+iii)	**2072.03**	**2073.93**	**NIL**	**4145.96**
Change in Indebtedness during the financial year				
• Addition	416.35	-877.73	NIL	-461.38
• Reduction			NIL	
Net Change	**0.00**	**-877.73**	**NIL**	**-461.38**
Indebtedness at the end of the financial year as on 31-03-2021				
(i) Principal Amount	2478.05	1,188.51	NIL	3666.56
(ii) Interest due but not paid	0.00	7.69	NIL	7.69
(iii) Interest accrued but not due	10.33	0	NIL	10.33
Total (i+ii+iii)	**2488.38**	**1196.20**	**NIL**	**3684.58**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (April 2020 to March 2021) (₹ In Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Abhay Kanoria (Managing Director)	Mr. Uddhav Kanoria (Whole-time Director)	Mr. Nirbhay Kanoria (Whole-time Director)	
1.	Gross salary				
	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	38.09	24.95	19.54	82.58
	Value of perquisites u/s 17(2) Income-tax Act, 1961	23.42	16.92	15.24	55.58
	Profits in lieu of salary under section 17(3) Income-tax Act, 1961.	0.00	0.00	0.00	0.00
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	as % of profit	-	-	-	-
	Others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
Total (A)		**61.51**	**41.87**	**34.78**	**138.16**
Ceiling as per the Act		84.00	84.00	84.00	

B. Remuneration to other directors:

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Fee for attending Board / Committee meetings	**Commission**	**Others, please specify**	
1.	Independent Directors				
	Mr. N. Ahmedali	1.40	-	-	1.40
	Ms. Neha Gada	1	-	-	1
	Dr. R.B. Smarta	0.70	-	-	0.70
Sub-Total (B1)		**3.10**	**-**	**-**	**3.10**
2.	Non-Executive Directors		-	-	
	Mr. Sanat Shirali	0.80	-	-	0.80
	Mr. Shashikant More (Nominee Director)	0.40	-	-	0.40
	* Mr. Rakesh Kanyadi	-	-	20.75	20.75
Sub-Total (B2)		**1.20**	**-**	**20.75**	**21.95**
Total (B) = (B1+B2)		**4.30**	**-**	**20.75**	**25.05**
Overall Ceiling as per the Act		1 lakh per Meeting	-	-	-
Total Managerial Remuneration [Total (A) +Total (B)]					**163.21**

*Mr. Rakesh Kanyadi was appointed as a Non-Executive Director and draws remuneration from the Company.

C. Remuneration to key managerial personnel other than MD/Manager/WTD

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Harshwardhan Murarka (Chief Financial Officer)	**Mrs. Deepa Ramachandran (Company Secretary & Compliance Officer)**	**Total**
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	7.46	6.52	13.98
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961.	5.27	1.97	7.24
	c) Profits in lieu of salary under section 17(3) Income-tax act, 1961.			
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	as % of profit	-	-	-
	Others, specify	-	-	-
5.	Others, please specify	-	-	-
Total		**12.73**	**8.49**	**21.22**

VII. Penalties / Punishment/ Compounding of Offences:

There were no penalties / punishments / compounding of offences for breach of any section of the Companies Act, 2013 against the Company, it's Directors or other officers in default, during the financial year ended March 31, 2021.

On behalf of the Board of Directors,

Place: Bengaluru
Date: 14th June, 2021

Abhay Kanoria
Chairman & Managing Director
(DIN: 00108894)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This section shall include discussion on the following matters within the limits set by the listed entity's competitive position:

(a) Industry structure and developments:

1. Manufacturing: The pharma sector is divided into 2 verticals

❖ Active pharmaceutical ingredients API's: These are the bulk solids and liquids that go into the formulations.

❖ Formulations: These are the oral solids (tablets, capsules), oral liquids (syrups, elixirs, drops), parenteral (vials, ampoules, infusions), local applications (ointments, creams, rubs) and novel drug delivery systems (nasal sprays, transdermal applications, flash strips)

Our company is only into formulations

2. Sales and Marketing

❖ API's are sold to formulations manufacturers both domestically and in foreign countries.

❖ Formulations are sold domestically and exported.

❖ Domestically, the usual trade channel is stock transfer to Company depots in different states and/or carrying and forwarding agents. They sell to stockists, who in turn sell to chemists, who sell to the individual customer. Any of these may be bypassed. There some medications which are sold directly by Company officials to patients.

❖ For exports, the same system may be followed or the entire sales may be made to a distributor in the importing country who then uses the above system.

There are 2 types of formulations.

i. Generic: These are usually with only the name of the API or combinations of APIs. They do not have a brand name. They are usually sold directly to the trade or institutions, without getting recommendations from doctors.

ii. Branded: These carry the brand name of the product almost as prominently as the APIs. For these, the company's sales representatives meet doctors and explain the superiority of their brand over other competing branded products and generics. The doctors then prescribe the medicines to patients who buys from chemists.

Our company is operating in all the sectors

3. The growth of the sector over the years has been in the range of 6 to 9 %. Even with the Covid-19 pandemic, this growth has remained, but there have been huge sectoral changes. A whole new range of covid specific medication has suddenly grown to double and even quadruple its pre-pandemic sales. Vitamins and immunity boosting drugs also increased very dramatically. On the flip side, some segments like dermatology and elective surgery, dentistry, etc. have taken a nosedive. The new vaccines will be a multiple crore industry. It is impossible to say what the 'new normal' will be.

(b) Opportunities and Threats:

Health awareness is increasing significantly and more and more people want to have generally good health and high immunity. There is likely to be a shift towards these. At the same time, spending power will decline for a long time due to COVID-19, so there will be less use of cosmetological products. Elective treatments such as dental reconstruction or even knee replacement, etc. will be reduced.

INDEPENDENT AUDITOR'S REPORT (STANDALONE)

TO THE MEMBERS OF
ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Anglo-French Drugs & Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone 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 Standalone 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 standalone 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 standalone financial statements.

Due to the COVID - 19 induced restrictions on physical movement and strict timelines, our audit team could not visit the company office regularly at Bengaluru for undertaking the required audit procedures as prescribed under ICAI issued Standards on Auditing and ICAI Advisory for Statutory Audit. Our opinion expressed in the present report is based on the facts, inputs and information made available to us principally through electronic means by the management of the Company and also through telephonic interactions and transmission of web enabled text messages with the management for enquiry, clarification and explanation.

Emphasis of Matter

Effects of COVID-19

We draw attention to Note 3(v) of the standalone financial statements, which describes the economic and social consequences/disruption the entity is encountering as a result of COVID-19 which is impacting supply chains, consumer demand and personnel available for work being able to access offices and as the situation with COVID-19 is still evolving the management's assessment of the impact on the subsequent period is dependent on the circumstances as they evolve.

Trade Receivable

We draw attention to Note 11 to the standalone financial statements, on trade receivables from Viva Remedies (an overseas debtor) having outstanding of Rs.1,25,63,657 (USD 240,674) which is more than three years old. The matter relating to realization of the old outstanding balance with Viva Remedies is *sub judice* before Honorable High Court of Karnataka at Bengaluru since 16th December, 2014.

The Company considers the above mentioned receivable is good and realizable and there is no impairment provision has been made in books.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Key audit matter	Principal audit procedures
Physical verification of inventory using alternative audit procedures involving more effort vis-à-vis a non-COVID-19 scenario. Ensuring veracity of inventory balances as on reporting date (Completeness, Accuracy, Cut off and Valuation) adopting alternative audit procedures owing to lock down restrictions and travel restrictions imposed by the Government associated with COVID-19.	Understood the process and tested the management's internal controls to establish the existence of inventory in relation to the process of periodic physical verification carried out by the management, the scope and coverage of the periodic verification programme, the results of such verification including analysis of discrepancies, if any; At selected locations at the end of the year during Mar21 where the management has carried out the physical verification and we have also participated and test checked the quantity and also we corroborate the same with the books of accounts. Inspected, for samples selected, supporting documentation relating to purchases and consumption, and such other third party evidences where applicable.
Trade receivables net of provisions for expected credit loss as in note no. 11 of the standalone financial statement Rs.3620 lakhs. Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions and has taken into account estimates of possible effect from the pandemic relating to COVID -19.	Our audit procedures related to the allowance for credit losses for trade receivables, based on the documents and correspondence available with the company and by considering subsequent realization of debts after 31.03.2021. We assessed the ageing of trade receivables and advances, the customer's historical payment patterns and whether any post year-end payments has been received up to the date of completing our audit procedures. Further in addition to the above process, a forward-looking expected loss impairment model as prescribed in IND AS 109 "Financial Instruments" was also applied by the Company. This involves judgment as the expected credit losses must reflect information about past events, current conditions and forecasts of future conditions.

Key audit matter	Principal audit procedures
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.	Reference may please be made to Annexure B to the Independent Auditor's Report wherein the disputed Service Tax, Sales Tax and Value Added Tax and TDS amounting Rs 116 lakhs, Rs 148 lakhs and Rs.18 lakhs respectively have been disclosed. The Service tax dispute (Rs.116 lakhs comprising Rs.81.90 and Rs 34.17 lakhs) is pending with CESTAT and for which Stay Order has been obtained dated 26-11-2010. The status has remained unchanged since that time with no further hearing date is available. During the FY 2019-20 the Company had availed the Subka Viswas Scheme for settlement of the demand of Rs 21.14 lakhs relating to 1.4.2012 till 31.3.2014 and a penalty of equivalent amount aggregating Rs.42 lakhs. The Sales Tax/VAT dispute amounting Rs 148 lakhs is pending with the Joint Commissioner of Commercial Taxes (Appeals) mainly pertaining to non-submission of statutory C Forms, F-forms and is still in appeal stage without any settlement. TDS demand of Rs.18 lakhs which is appearing as default in TRACES, this default is from financial year 2007-08 to 2017-18, This default is due to errors in filling the TDS returns and which are rectifiable by filing revised returns.

Information Other than the Standalone 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 standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 Standalone 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 standalone 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 standalone 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 standalone financial statements, including the disclosures,

and whether the standalone 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 standalone 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

As required by the Companies (Auditor's Report) Order, 2016 ("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 and 4 of the Order. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations read with the 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 standalone 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

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

g) 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.

h) 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 standalone financial statements (refer note 40).

   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.

For **KAMG & ASSOCIATES**
Chartered Accountants
Firm's Registration No.311027E

CA S.Ganesh,
Partner
Membership No.232115
UDIN : 21232115AAAAAE7290
Bengaluru dated June 14, 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Anglo-French Drugs & Industries Limited 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, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 respective 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing 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 internal financial controls system over financial reporting of the Company.

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 standalone 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.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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, 2021, 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's Registration No.311027E

CA S.Ganesh, Partner
Membership No.232115
Bengaluru dated June 14, 2021

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Anglo-French Drugs & Industries Limited of even date)

i. **In respect of the Company's fixed assets:**

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Fixed assets were not physically verified by the management during the year.

(c) The title deeds of immovable properties are held in the name of the Company.

ii. As explained to us and on the basis of certificate given to us, the inventory of the Company has been physically verified during the year by the management barring a few locations where physical verification of inventories by the management a date near to the reporting date. Alternative audit procedures were adopted to verify inventory balances for such locations which included reconciliation of last physically verified inventory with the inventory details as on reporting date. In our opinion and according to the information and explanations given to us, the frequency of the verification is reasonable having regard to the size of the Company and the nature of its business.

iii. According to the information and explanations given to us, the Company has not granted loans to companies, firms, limited liability partnerships or other parties as listed in the register maintained under section 189 of the Companies Act, 2013. Accordingly, provisions of the clause 3 (iii) (b) and (c) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, the Company has not given any loans to directors as mentioned in Section 185 of the Companies Act, 2013 and has not made any investments or given any guarantees and security as mentioned in Section 186 of the Companies Act, 2013. Accordingly, provisions of the clause 3 (iv) of the Order is not applicable to the Company.

v. The Company has not accepted any deposits during the year and so the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable.

vi. The Central Government has prescribed for the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of the products of the Company and according to the information and explanations given to us such accounts and records have been made and maintained.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Customs Duty, Cess and other material statutory dues applicable to it.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(c) Details of dues of Service Tax which have not been deposited as at March 31, 2021 on account of dispute are given below:

Nature of dues	Period to which it relates	Amount in lacs	Name of the Assessing Authority
Service tax / Excise	April 2006 to August 2008	82	CESTAT - Bengaluru
Service tax / Excise	Sept 2008 to March 2009	34	CESTAT - Bengaluru
	Total	116	
Sales tax / VAT	2002-2003	1	JCCT-Appeals-Patna
Sales tax / VAT	2004-2005	8	JCCT-Appeals-Patna
Sales tax / VAT	2005-2006	3	JCCT-Appeals-Lucknow
Sales tax / VAT	2006-2007	3	JCCT-Appeals-Dhar Pithampur
Sales tax / VAT	2007-2008	2	JCCT-Appeals-Dhar Pithampur
Sales tax / VAT	2008-2009	44	JCCT-Appeals-Dhar Pithampur
Sales tax / VAT	2009-2010	15	JCCT-Appeals-Dhar Pithampur
Sales tax / VAT	2010-2011	15	ACCT-Mumbai and Dhar Pithampur
Sales tax / VAT	2011-2012	55	ACCT- Mumbai
Sales tax / VAT	2014-2015	2	DCCT- Bengaluru
	Total	**148**	
TDS	2007-08 to 2017-18	18	TDS – CPC

viii. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, Bank or Government. The Company has not issued any debentures during the year.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those were raised.

x. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

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

xiv. During the year, the Company has issued fully paid equity shares by way of preferential allotment on a private placement to promoter of the company and section 42 of the Act has been complied with. Refer note 17 of standalone financial statements.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **KAMG & ASSOCIATES**
Chartered Accountants
Firm's Registration No311027E

CA S. Ganesh, Partner
Membership No.232115
Bengaluru dated June 14, 2021

BALANCE SHEET AS AT MARCH 31, 2021 (STANDALONE)

(₹ in lakhs)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
NON-CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT	4	1,285	1,357
Right of Use Assets		73	170
INTANGIBLE ASSETS	5	3	4
FINANCIAL ASSETS			
(i) Investments	6	8	5
(ii) Trade Receivables	7	-	-
(iii) Other Non-Current Financial Assets	8	39	112
DEFERRED TAX ASSETS	22	-	-
OTHER NON CURRENT ASSETS	9	9	7
TOTAL NON-CURRENT ASSETS		**1,417**	**1,655**
CURRENT ASSETS			
INVENTORIES	10	3,667	4,279
FINANCIAL ASSETS			
(i) Trade Receivables	11	3,620	2,594
(ii) Cash and Cash Equivalents	12	44	22
(iii) Other Bank Balances	13	58	41
(iv) Other Current Financial Assets	14	184	91
CURRENT TAX ASSET (NET)	15	-	41
OTHER CURRENT ASSETS	16	467	602
TOTAL CURRENT ASSETS		**8,040**	**7,670**
TOTAL ASSETS		**9,457**	**9,325**
EQUITY AND LIABILITIES			
EQUITY			
EQUITY SHARE CAPITAL	17	129	116
OTHER EQUITY	18	1,473	572
TOTAL EQUITY		**1,602**	**688**
LIABILITIES			
NON-CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
(i) Borrowings	19	1,647	927
(ii) Other Non-Current Financial Liabilities	20	311	311
EMPLOYEE BENEFIT OBLIGATIONS	21	106	115
DEFERRED TAX LIABILITIES - NET	22	38	-
TOTAL NON-CURRENT LIABILITIES		**2,102**	**1,353**
CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
(i) Borrowings	23	2,324	3,073
(ii) Trade Payables	24		
(a) Total outstanding dues of MSME.		135	33
(b) Total outstanding dues other than MSME.		2,111	2,817
(iii) Other Current Financial Liabilities	25	248	626
Current Tax Liabilities (Net)	15	34	-
OTHER CURRENT LIABILITIES	26	843	689
EMPLOYEE BENEFIT OBLIGATIONS	21	58	46
TOTAL CURRENT LIABILITIES		**5,753**	**7,284**
TOTAL EQUITY AND LIABILITIES		**9,457**	**9,325**

The accompanying notes 1 - 50 form an integral part of the Financial Statements

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

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

S. Ganesh
Partner
Membership Number 232115

Bengaluru, 14th June 2021

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

Abhay Kanoria
Chairman & Managing Director
DIN : 00108894

N.Ahmedali
Director
DIN : 00704341

Harshwardhan Murarka
Chief Financial Officer

Deepa Ramachandran
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021 (STANDALONE)

(₹ in lakhs)

Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
INCOME			
REVENUE FROM OPERATIONS	27	15,340	13,013
OTHER INCOME	28	89	62
TOTAL INCOME		**15,429**	**13,075**
EXPENSES			
COST OF MATERIALS CONSUMED	29	3,446	3,213
PURCHASES OF STOCK-IN-TRADE		3,784	2,595
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE	30	140	69
EMPLOYEE BENEFITS EXPENSE	31	2,722	2,417
FINANCE COSTS	32	529	617
DEPRECIATION AND AMORTISATION EXPENSE	33	246	254
OTHER EXPENSES	34	3,641	3,473
TOTAL EXPENSES		**14,508**	**12,638**
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX		921	437
EXCEPTIONAL ITEMS - PROFIT / (LOSS)	34(b)	-	(156)
PROFIT/(LOSS) BEFORE TAX		**921**	**281**
TAX EXPENSE			
CURRENT TAX	35	174	55
DEFERRED TAX	35	38	-
PROFIT/(LOSS) FOR THE YEAR		**709**	**226**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
- Remeasurement of Post-employment benefit obligations		(35)	(27)
- Change in equity instruments- Fair value through Other Comprehensive Income		2	(6)
- Tax relating to these items			
1) Current Tax	35	5	9
2) Deferred Tax		0	-
Total Other Comprehensive Income/ (Loss) for the year, net of tax		**(28)**	**(24)**
Total Comprehensive Income for the year		**681**	**202**
Earnings per equity share (in INR) (Face value INR 10)			
(1) Basic	45	58.47	19.47
(2) Diluted	45	58.47	19.47

The accompanying notes 1 - 50 form an integral part of the Financial Statements

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

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

S. Ganesh
Partner
Membership Number 232115

Bengaluru, 14th June 2021

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

Abhay Kanoria
Chairman & Managing Director
DIN : 00108894

N.Ahmedali
Director
DIN : 00704341

Harshwardhan Murarka
Chief Financial Officer

Deepa Ramachandran
Company Secretary

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021 (STANDALONE)

(₹ in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Cash flow from operating activities		
Profit before income tax	921	281
Adjustments for		
Depreciation and amortisation expense	246	254
Provisions Written Back	(65)	(5)
Interest income classified as investing cash flows	(9)	(7)
Finance costs	529	617
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(1,026)	481
(Increase)/Decrease in inventories	613	(296)
(Increase)/ Decrease in other financial assets	(20)	(18)
(Increase)/Decrease in other non-current assets	(2)	20
(Increase)/Decrease in other current assets	135	(38)
Increase/(Decrease) in trade payables	(536)	305
Increase/ (Decrease) in employee benefit obligations	(32)	(14)
Increase/(Decrease) in other financial liabilities	(378)	(274)
Increase/(Decrease) in other current liabilities	160	263
Cash generated from operations	**535**	**1,570**
Income taxes paid (net of refund)	(99)	(57)
Net cash inflow from operating activities	**436**	**1,513**
Cash flows from investing activities		
Payments for property, plant and equipment	(77)	(308)
Proceeds from sale of property, plant and equipment	3	2
Changes in Other bank balances	(16)	24
Interest received	9	7
Net cash outflow from investing activities	**(81)**	**(275)**
Cash flows from financing activities		
Proceeds from Issuing share capital	232	
Proceeds from borrowings:		
Term Loan	(44)	201
Cash Credit (net)	727	(579)
Others	(727)	(145)
Repayment of borrowings:		
Term Loan	7	(80)
Car Loan	2	(17)
Interest paid	(529)	(617)
Dividends paid	(1)	(1)
Net cash inflow (outflow) from financing activities	**(332)**	**(1,239)**
Net increase (decrease) in cash and cash equivalents	**23**	**0**
Cash and cash equivalents at the beginning of the year	21	21
Cash and cash equivalents at the end of the year	**44**	**21**

The accompanying notes nos 1 - 50 form an integral part of the Financial Statements

This is the Statement of Cash Flows referred to in our report of even date.

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

S. Ganesh
Partner
Membership Number 232115

Bengaluru, 14th June 2021

For and on behalf of the Board of Directors of
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Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021 (STANDALONE)

A. Equity share capital

(₹ in lakhs)

Particulars	
As at April 1, 2018	**116**
Changes in equity share capital during the year	-
As at March 31, 2019	**116**
Changes in equity share capital during the year	-
As at March 31, 2020	**116**
Changes in equity share capital during the year	13
As at March 31, 2021	**129**

B. Other equity (₹ in lakhs)

Particulars	Reserves and surplus				Other Comprehensive income	Total
	Capital Reserve	Securities premium reserve	General Reserve	Retained earnings (Surplus)		
Balance at April 1, 2018	43	70	549	(196)	4	470
Profit for the year	-	-	-	(86)	-	(86)
Other comprehensive income for the year, net of tax	-	-	-	37	(2)	35
Total comprehensive income for the year	**-**	**-**	**-**	**(49)**	**(2)**	**(51)**
Balance as at March 31, 2019	**43**	**70**	**549**	**(245)**	**2**	**419**
Balance at April 1, 2019	**43**	**70**	**549**	**(245)**	**2**	**419**
Effect of IND AS116				(49)		(49)
Restated Balance at April 1, 2019	43	70	549	(294)	2	370
Profit for the year	-	-	-	226	-	226
Other comprehensive income/(losses) for the year, net of tax	-	-	-	(18)	(6)	(24)
Total comprehensive income for the year	**-**	**-**	**-**	**208**	**(6)**	**202**
Balance as at March 31, 2020	**43**	**70**	**549**	**(86)**	**(4)**	**572**
Restated Balance at April 1, 2020	**43**	**70**	**549**	**(86)**	**(4)**	**572**
Profit for the year	-	219	-	709	-	928
Other comprehensive income/(losses) for the year, net of tax	-	-	-	(29)	2	(27)
Total comprehensive income for the year	**-**	**219**	**-**	**680**	**2**	**901**
Balance as at March 31, 2021	**43**	**289**	**549**	**594**	**(2)**	**1,473**

The accompanying notes nos 1 - 50 form an integral part of the Financial Statements

This is the Statement of changes in equity referred to in our report of even date.

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

S. Ganesh
Partner
Membership Number 232115

Bengaluru, 14th June 2021

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

Abhay Kanoria
Chairman & Managing Director
DIN : 00108894

N.Ahmedali
Director
DIN : 00704341

Harshwardhan Murarka
Chief Financial Officer

Deepa Ramachandran
Company Secretary

NOTES TO ACCOUNTS

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.

COVID-19

In continuation of the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers.

The Board of Directors approved the financial statements for the year ended March 31, 2021 and authorised for issue on June 14, 2021.

The consolidated financial statements relate to Anglo-French Drugs & Industries Limited and its subsidiary company as referred in Note 48 (collectively referred as “the Group”) of Consolidated Financial Statements.

1 SIGNIFICANT ACCOUNTING POLICIES

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

(a) BASIS OF PREPARATION

(i) Compliance with Ind AS

The separate financial statements have been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 (referred to as Ind AS) as prescribed under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time, as a going concern on accrual basis.

The financial statements of year ended 31st March 2017, were the first financial statements of the company under Ind AS and the transition was carried out in accordance with Ind AS 101, “First time adoption of Indian Accounting Standards.”

(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.

(b) PROPERTY, PLANT AND EQUIPMENT

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

Transition to IND AS

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

Depreciation methods, estimated useful lives and residual value

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

Derecognition

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

(c) 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 group.

Derecognition:

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

(d) FINANCIAL INSTRUMENTS

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

(i) FINANCIAL ASSETS:

(A) Classification:

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

(B) Initial recognition and measurement:

A financial asset is classified as measured at

— Amortised Cost;

— FVOCI — debt instruments;

— FVOCI - equity investment; or — FVTPL

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

Debt instruments:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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

(C) Derecognition:

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

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

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

(D) Impairment:

In accordance with Ind-AS 109, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt investments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance, Lease receivables

(b) Trade receivables

The group follows 'simplified approach' for recognition of impairment loss allowance on:

Trade receivables which do not contain a significant financing component.

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 37 details how the group determines whether there has been a significant increase in credit risk.

For trade receivables only, the group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(ii) FINANCIAL LIABILITIES:

(A) Classification:

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(B) Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

(C) Derecognition:

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

(iii) OFFSETTING FINANCIAL INSTRUMENT:

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

(iv) INCOME RECOGNITION:

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

(e) CASH AND CASH EQUIVALENTS

Cash and Cash equivalents for the purpose of consolidated Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments. To be classified as cash and cash equivalents, the financial asset must:

- be readily convertible into cash;

- have an insignificant risk of changes in value; and

- have a maturity period of three months or less at acquisition.

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

(f) REVENUE RECOGNITION

(A) Sale of goods

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

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

"Revenue is recognised at a point in time on accrual basis as per the terms of the contract, when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. When sales discount and rebate arrangements result in variable consideration, appropriate estimates are made and estimated variable consideration is recognised as a deduction from revenue at the point of sale (to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue will not be required). The group typically uses the expected value method for estimating variable consideration, reflecting that such contracts have similar characteristics and a range of possible outcomes. The contract asset or a contract liability is recognised when either party to a contract has performed, depending on the relationship between the entity's performance and the customer's payment. When the group has a present unconditional rights to consideration, it is recognised separately as a receivable."

(B) Export Incentive

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

(C) Interest Income

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

(D) Dividend Income

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

(g) EMPLOYEE BENEFITS

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

(i) Short-term obligations

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

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

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

(ii) Post-employment obligations

he group operates the following post-employment schemes:

Gratuity obligations –

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

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

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

Provident Fund –

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

Superannuation Fund -

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

(h) LEASES

Transition to Ind AS 116

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

(i) FOREIGN CURRENCY TRANSLATION

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

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

(i) Presentation Currency

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

(ii) Transactions and balances

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

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

(j) TAXES ON INCOME

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

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

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

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

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

(k) 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.

(l) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

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

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

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

(m) SEGMENT REPORTING

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

(n) 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.

(o) 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.

(p) GOVERNMENT INCENTIVES

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

Incentives that the group is entitled to unconditionally on 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 New standards/amendments that are not yet effective and have not been early adopted:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

3 Significant estimates and judgements

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

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

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

i) Impairment of trade receivable:

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

ii) Post-employment benefits:

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

iii) Sales returns and rebates:

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

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

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

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

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

v) Impact of Covid 19

On the basis of its assessment of the impact of the outbreak of COVID-19 on business operations of the entity, the entity's management may conclude that no adjustments are required in the financial statements as it does not impact the current financial year. However, the situation with COVID-19 is still evolving. Also, the various preventive measures taken (such as lockdown restrictions by the Government of India, travel restrictions etc.) are still in force, leading to a highly uncertain economic environment. Due to these circumstances, the management's assessment of the impact on the subsequent period is dependent upon the circumstances as they evolve.

4. Property, Plant and Equipment

(₹ in lakhs)

Particulars	Gross carrying amount				Accumulated Depreciation				Carrying Value As at March 31, 2021
	As at April 01, 2020	Additions	Sales/ Adjustments	Balance as at March 31, 2021	As at April 1, 2020	For the Year	Sales/ Adjustments	As at March 31, 2021	
Freehold land	8	-		8	-				8
Buildings	805	-		805	129	36		165	640
Plant & equipment	676	7		683	182	49		231	452
Furniture & fittings	140	0		140	84	12		96	44
Vehicles	152	18	-	170	70	19	-	89	81
Office equipment	37	2	1	38	37	1	0	38	0
Computers	209	50	1	259	168	30	1	198	61
Total March 2021	**2,027**	**77**	**2**	**2,102**	**670**	**148**	**1**	**817**	**1,285**
Total March 2020	**2,010**	**40**	**22**	**2,027**	**535**	**155**	**20**	**670**	**1,357**

IND AS 116

Right of Use Assets as on 31-3-2020 **170**

(representing right of use of underlying assets)

Refer Note below

Amortisation Charge **97**

Note :

net carrying amount as on 31-3-2021 **73**

5. Intangible Assets

(₹ in lakhs)

Particulars	Gross carrying amount				Accumulated Depreciation				Carrying Value As at March 31, 2021
	As at April 1, 2020	Additions	Sales/ Adjustments	As at March 31, 2021	As at April 1, 2020	For the Year	Sales/ Adjustments	As at March 31, 2021	
Trademarks	-	-	-	-	-	-	-	-	-
Computer software	8	-	-	8	4	1	-	5	3
Total March 2021	**8**	**-**	**-**	**8**	**4**	**1**	**-**	**5**	**3**
Total March 2020	**8**	**-**	**-**	**8**	**3**	**1**	**-**	**4**	**4**

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
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 (2020- 5,760) Equity shares of INR 10 each in Industrial Development Bank of India Limited	2	1
19,400 (2020- 19,400) Equity shares of INR 10 each in Vijaya Bank	6	4
Note-Vijaya Bank has been merged with Bank of Baroda wef 1st Apr 2019		
(ii) Unquoted -		
In Subsidiary Companies (Equity investments at cost)		
50,000 (2020-50,000) Equity shares in Anglo-French Drugs & Industries Pte. Ltd. Singapore, wholly owned Subdsidiary	24	24
Less: Provision for diminution in the value of investment	(24)	(24)
Total Investment in equity instruments	**8**	**5**
Total non-current investments	**8**	**5**
Aggregate amount of quoted investments	8	5
Market value of quoted investments	8	5
Aggregate amount of unquoted investments	24	24
Aggregate amount of impairment in the value of investment	(24)	(24)

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
7 TRADE RECEIVABLES		
Doubtful		
(a) Considered good - Secured	-	-
(b) Considered good - Unsecured	-	-
(c) Trade Receivables which have significant increase in credit risk	-	-
(d) Trade Receivables - credit impaired	-	-
Less: Loss allowance		
(a) Fair value loss	-	-
(b) Credit impaired	-	-
Total trade receivables (non-current)	**-**	**-**
8 OTHER NON-CURRENT FINANCIAL ASSETS		
Security deposits	31	67
Fixed deposits with bank (with maturity period of more than 12 months)	8	45
Total other non-current financial assets	**39**	**112**
9 OTHER NON-CURRENT ASSETS		
Deferred rent expense for security deposit assets	7	5
Other deposits	2	2
Total other non-current assets	**9**	**7**

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
10 INVENTORIES		
Raw materials	1,470	1,875
Packing materials	389	461
Work-in-progress	113	136
Finished goods**	1,145	1,262
Stores and spare parts *	550	545
Total inventories	**3,667**	**4,279**
* includes Stock of samples and promotional items in the hands of sales representatives -Nil		
**Closing stock of Finished goods includes samples amounting to Rs. 39 lakhs, which are not meant for sale.		
Raw materials & Packing materials are valued at weighted Average method , WIP & Finished Goods at Standard Price and stores and spares at cost.		
11 TRADE RECEIVABLES		
Trade receivables		
(a) Considered good - Secured	-	-
(b) Considered good - Unsecured	3,062	2,792
(c) Trade Receivables which have significant increase in credit risk		
(d) Trade Receivables - credit impaired	803	-
Less: Loss allowance		
(a) Fair value loss	47	-
(b) Credit impaired	198	198
Total trade receivables (current)	**3,620**	**2,594**
Note-Trade Receivables includes Receivable from Viva Remedies (FZC) amounting to Rs 125.64 lakhs which is under sub judice since 16.12.2014		

(₹ in lakhs)

	Particulars	As at March 31, 2021	As at March 31, 2020
12	**CASH & CASH EQUIVALENTS**		
	Cash in hand	1	4
	Balances with Banks		
	-Current Accounts	43	18
	Stamps in hand	0	-
	Total cash and cash equivalents	**44**	**22**
13	**OTHER BANK BALANCES**		
	Fixed deposits maturing within 3 - 12 months	58	41
	Total other bank balances	**58**	**41**
14	**OTHER CURRENT FINANCIAL ASSETS**		
	Security Deposits		
	Related Party	12	12
	Security deposits	172	79
	Total other current financial assets	**184**	**91**
15	**CURRENT TAX ASSETS (NET)**		
	Opening balance	22	67
	Less: Tax payable for the year	174	46
	Add: Taxes paid	93	1
	Add/(Less): Refund/adjustment for earlier years		-
	Closing balance	(59)	22
	MAT credit entitlement	25	19
	Total current tax assets (net)	**(34)**	**41**
16	**OTHER CURRENT ASSETS**		
	Prepaid expenses	94	91
	Deferred rent expense on security deposit given	5	7
	Recoverable from Statutory Authorities	156	297
	Advances to suppliers and others	211	207
	Total other current assets	**467**	**602**

17 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2021	As at March 31, 2020
AUTHORISED		
2,000,000 Equity Shares of INR 10 each	200	200
(2020- 2,000,000)		
	200	**200**
ISSUED, SUBSCRIBED & FULLY PAID		
1,162,500 Equity Shares of INR 10 each	116	116
(2020- 1,162,500)		
Of the above 704,000 Equity Shares are issued by way of Bonus Shares by capitalisation of General Reserve,		
129000 Equity Shares of INR 10 each*	13	-
Further 129,000 Equity shares are issued by way of Preferancial Equity shares are capitalisation of General Reserve		
	129	116

* during the year , company has issued equity shares of 1,29,000 to Ninaad Finance and properties Pvt Ltd at Rs 180 per share face value of Rs 10 per share with a security premium of Rs 170 per share by way of preferantial allotment on 10.11.2020. The share carrying voting rights. These share are ranking pari- passu with the old equity shares of the company.

(i) Reconciliation of equity share capital

Particulars	Number of shares
As at April 1, 2018	**11,62,500**
Change during the year	-
As at March 31, 2019	**11,62,500**
Change during the year	-
As at March 31, 2020	**11,62,500**
Change during the year	1,29,000
As at March 31, 2021	**12,91,500**

(ii) 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.

(iii) Details of Shareholders holding more than 5 percent shares in the Company :

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number of Shares	% holding	Number of Shares	% holding
(1) Abhay Kanoria Family Trust represented by Mr. Abhay Kanoria	7,02,205	54.37	7,02,205	60.40
(2) Ninaad Finance And Properties Pvt Ltd	1,29,000	9.99	-	-
(3) Life Insurance Corporation of India	90,000	6.97	90,000	7.74

18 OTHER EQUITY

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) RESERVES AND SURPLUS		
CAPITAL RESERVE	43	43
SECURITIES PREMIUM RESERVE	289	70
GENERAL RESERVE	549	549
SURPLUS/(DEFICIT) IN STATEMENT OF PROFIT AND LOSS	594	(86)
	1,475	576
(b) OTHER RESERVES		
Fair Value through Other Comprehensive Income- Equity Instrument	(2)	(4)
Total other equity	**1,473**	**572**
(a) RESERVE AND SURPLUS		
(i) CAPITAL RESERVE		
Opening Balance	43	43
Adjustment during the year		
Closing Balance	43	43
(ii) SECURITIES PREMIUM RESERVE		
Opening Balance	70	70
Addition during the year	219	
Adjustment during the year		
Closing Balance	289	70
(iii) GENERAL RESERVE		
Opening Balance	549	549
Adjustment during the year		
Closing Balance	549	549

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(iv) SURPLUS/ (DEFICIT) IN STATEMENT OF PROFIT AND LOSS		
Opening Balance	(86)	(245)
EFFECT OF IND AS 116		(49)
Add: Profit /(Loss) during the year as per Statement of Profit & Loss	709	226
Other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(29)	(18)
Closing Balance	594	(86)
(b) OTHER RESERVE		
OTHER COMPREHENSIVE INCOME		
Opening Balance	(4)	2
Adjustments during the year		
- Remeasurements of quoted equity shares	2	(6)
Closing Balance	(2)	(4)

Nature and purpose of Reserves

(i) **Capital Reserve**

Capital Reserve represents the statutory reserve created by the group as per requirement of the Act. The same can be utilised by the group for issuing fully paid bonus shares.

(ii) **Securities premium reserve**

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

(iii) **General Reserve**

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

(₹ in lakhs)

	Particulars	As at March 31, 2021	As at March 31, 2020
19	**NON-CURRENT BORROWINGS**		
	Terms loans from Bank		
	Secured		
	Car finance loans from banks	23	9
	Term Loans from Others (NBFC)		
	JM Financial Products Limited	875	918
	Inter Corporate Deposit		
	Related Party	749	-
	Others		
	Total Non-current borrowings	**1,647**	**927**
	Current maturities of long-term debt (included in note 25)	80	73
	Current maturities of car finance loan (included in note 25)	6	18
	Total		

PARTICULARS OF BORROWINGS :

a) **Security**

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

(ii) Term loan from JM Financial Products Limited is secured at first ranking & exclusive charge by way of equitable mortgage on residential property of Sudarshan Services Ltd.

b) **Terms of repayment and Interest rate :**

(i) In respect of Vehicle loans repayments are done by equated monthly installments over 36 to 60 months.

(ii) The company has taken vehicle loan from AXIS Bank and YES Bank during the year which carry interest at the rate of 9.15 % & 7.60%, repayable in 60 equal installments. Repayment of the term loan will be completed in September 2024 & January 2026 .

(iii) Term Loan from JM Financial Products Limited carries interest at the rate of 10.50%, repayable in 126 equal monthly installments. Repayment will be completed in September 2028.

iv) During the last month of 2019 - 2020 an addittional facility of Rs 275 lakhs at the rate of 13% interest repayable in 123 equal installment was availed from J M Financial Products Limited.Repayment will be completed in May 2030.

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

20 OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Security deposits	311	311
Total other non-current financial liabilities	**311**	**311**

21 Employee benefit obligations

(₹ in lakhs)

Particulars	As at March 31, 2021			As at March 31, 2020		
	Current	Non-current	Total	Current	Non-current	Total
Leave Encashment - Unfunded						
Present value of obligation	14	59	73	11	55	66
Gratuity - Funded						
Present value of obligation	355		355	311		311
Fair value of plan assets	264		264	216		216
Net Liability	91		91	95		95
Gratuity Liability	44	47	91	35	60	95
Total employee benefit obligations	**58**	**106**	**164**	**46**	**115**	**161**

(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.

The Company has recognised the following amounts in the Statement of Profit & Loss for defined contribution plan.

(₹ in lakhs)

Particulars	March 31, 2021	March 31, 2020
a) Superannuation Fund	11	10
b) Provident Fund	131	107

(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:

(₹ in lakhs)

Particulars	Gratuity			Leave Encashment
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
April 1, 2018	**241**	**201**	**40**	**72**
Current service cost	23		23	18
Prior Service cost	37		37	-
Interest expense/(income)	18	15	33	5
Total amount recognised in profit or loss	**78**	**15**	**63**	**23**
Remeasurements				
Loss due to experience	(23)	-	(23)	(13)
Loss due to change in financial assumptions	-	-	-	(1)
Return on plan assets (greater)/less than discount rate	-	-	-	
Total amount recognised in other comprehensive income	**(23)**	**-**	**(23)**	**(14)**
Employer contributions	-	-		
Benefit payments	-	-		13
March 31, 2019	**296**	**216**	**80**	**68**
April 1, 2019	296	216	80	68
Current service cost	23		23	10
Prior Service cost	-			
Interest expense/(income)	19	15	4	4
Total amount recognised in profit or loss	**42**	**15**	**27**	**14**
Remeasurements				
Loss due to experience	31	-	31	(5)
Loss due to change in financial assumptions	-	-	-	1
Return on plan assets (greater)/less than discount rate	-	-	-	-
Total amount recognised in other comprehensive income	**31**	**-**	**31**	**(4)**
Employer contributions	-	-		-
Benefit payments	-	-		4
March 31, 2020	**369**	**231**	**138**	**74**
April 1, 2020	**369**	**231**	**138**	**74**
Current service cost	28		28	8
Prior Service cost	-			
Interest expense/(income)	21	16	5	4
Total amount recognised in profit or loss	**49**	**15**	**33**	**12**
Remeasurements				
Loss due to experience	23	-	23	12
Loss due to change in financial assumptions	-	-	-	(1)
Return on plan assets (greater)/less than discount rate	-	-	-	-
Total amount recognised in other comprehensive income	**23**	**-**	**23**	**11**
Employer contributions	-	-		-
Benefit payments	**-**	**-**		**11**
March 31, 2021	**441**	**246**	**195**	**86**

The net liability disclosed above relates to funded and unfunded plan are as follows: (₹ in lakhs)

Particulars	March 31, 2021	March 31, 2020
Present value of funded obligations	441	369
Fair value of plan assets	246	231
Deficit of funded plan	**195**	**138**
Unfunded plans	66	74
Deficit of Employee Benefit Plans	**261**	**212**

(iv) Post-Employment benefits

The significant actuarial assumptions were as follows:

Particulars	March 31, 2021	March 31, 2020
Discount rate	7.09%	7.75%
Salary growth rate	5.00%	5.00%
Expected return on assets	7.09%	7.75%
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
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: (₹ in lakhs)

Particulars	Change in assumption		Impact on defined benefit obligation			
			Increase by 1%(100bps)		Decrease by 1%(100bps)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Gratuity						
Discount rate	1%	1%	(21)	(22)	23	26
Salary growth rate	1%	1%	21	23	(19)	(21)
Withdrawal rate	1%	1%	3	3	(3)	(3)
Leave Encashment						
Discount rate	1%	1%	(6)	(6)	7	7
Salary growth rate	1%	1%	7	7	(6)	(6)
Withdrawal rate	1%	1%	1	(1)	(1)	(1)

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

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

Particulars	March 31, 2021		March 31, 2020	
	Amount in Lakhs	in %	Amount in Lakhs	in %
Investment funds with Kotak Gratuity Group Plan (UNI-107L010V05)	246	100%	216	100%
Total	**246**	**100%**	**216**	**100%**

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

(vii) Risk exposure

The defined benefit obligations have the undermentioned risk exposures :

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

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

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

(viii) Defined benefit liability and employer contributions

Expected contribution to post employment benefit plan for the year ending March 31, 2021 is 44 lakhs (Year ended 31.03.20 Rs.35 lakhs)

The weighted avarage duration of the defined benefit obligation is 12.25 years (March 31, 2021 - 13.98 years) in case of Gratuity and 12.25years (March 31, 2020 - 13.98 years) in case of Leave encashment in all the three years. The expected maturity analysis of undiscounted gratuity and leave encashment is as follows :

(₹ in lakhs)

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, 2021							
Gratuity	18	24	26	32	23	500	623
Leave encashment	4	3	5	4	6	140	162
Total	**22**	**27**	**31**	**36**	**29**	**640**	**785**
March 31, 2020							
Gratuity	12	9	17	20	26	518	602
Leave encashment	4	3	5	4	6	140	162
Total	**16**	**12**	**22**	**24**	**32**	**658**	**764**

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
22 DEFERRED TAX LIABILITIES - NET		
Deferred Tax Liabilities on account of :		
Depreciation	36	163
Provision for Bonus	19	-
Provision for Gratuity	5	-
Provision for leave encashment	7	-
Provision for doutbful debts	20	-
Total deferred tax liabilities (A)	**87**	**163**
Deferred Tax Assets on account of :		
Accrued expenses deductible on payment	-	1
Leave encashment and gratuity	-	4
Provision for debts, advances and investments	-	5
Fair valuation of security deposit-Assets	-	-
MAT Credit entitlement	(49)	
Unabsorbed depreciation and carried forward business loss	-	320
Less: Deferred Tax Assets not recognised	-	167
Total deferred tax assets (B)	**(49)**	**163**
Deferred Tax (Assets)/Liabilities (Net - A-B)	**38**	**-**

Movement in deferred tax liabilities

Particulars	Depreciation	Provision for Debts, Advances and Investments	Fair Valuation of Security Deposit -Assets	Liability for gratuity and leave encashment	Unabsorbed depeciation and carried forward business loss	Bonus	Total
As at April 1, 2018	210	-	-	-	-	-	210
Charged/(Credited):							
- to profit and loss	(18)	-	-	-	-	-	(18)
- to other comprehensive income				-	-	-	
As at March 31, 2019	**192**	**-**	**-**				**192**
Charged/(Credited):							
- to profit and loss	(29)	-	-	-	-	-	(29)
- to other comprehensive income				-	-	-	
As at March 31, 2020	**163**	**-**	**-**	**-**	**-**	**-**	**163**
Charged/(Credited):							
- to profit and loss	(36)	(20)		(12)	-	(19)	(87)
- to other comprehensive income				-	-	-	
As at March 31, 2021	**(36)**	**(20)**	**-**	**(12)**	**-**	**(19)**	**(87)**

Movement in deferred tax assets

Particulars	Statutory Expenses claimable on payment	Provision for Debts, Advances and Investments	MAT Credit entitlement	Liability for gratuity and leave encashment	Unabsorbed depeciation and carried forward business loss	Deferred Tax assets not recognised	Total
As at April 1, 2018	2	39	-	3	360	194	210
(Charged)/Credited:							-
- to profit and loss	3	(23)		10	23	31	(18)
- to other comprehensive income				-	-	-	-
As at March 31, 2019	**5**	**16**	**-**	**13**	**383**	**225**	**192**
(Charged)/Credited:							
- to profit and loss	(4)	(11)		(9)	(63)	(58)	(29)
- to other comprehensive income	-	-	-	-	-	-	-
As at March 31, 2020	**1**	**5**	**-**	**4**	**320**	**167**	**163**
(Charged)/Credited:							
- to profit and loss	-	-	46	-	-	-	46
- to other comprehensive income	-	-	-	-	-	-	-
As at March 31, 2021	**-**	**-**	**46**	**-**	**-**	**-**	**46**

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
23 CURRENT BORROWINGS		
SECURED		
Cash Credit from Banks		
HDFC Bank	769	374
YES Bank	972	640
Short term loan from others		
Working Capital Loan from		
National Small Industries Corporation Ltd [NSICL]	143	137
UNSECURED		
Inter Corporate Deposit		
Related Party	440	655
Others *	-	1,267
Total Current borrowing	**2,324**	**3,073**

PARTICULARS OF BORROWINGS :

a) Security

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

(ii) Working capital loan from National Small Industries Corporation Ltd is secured by bank guarantee.

b) Terms of repayment and Interest rate :

(i) Cash Credit from HDFC Bank and YES Bank carry interest at the rate of 12.15% and 10.30% respectively.

(ii) Working Capital Loan from National Small Industries Corporation Ltd carries interest at the rate of 9%.

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

(₹ in lakhs)

Particulars		As at March 31, 2021	As at March 31, 2020
24	**TRADE PAYABLES**		
	Trade payables *	2,246	2,850
	Total trade payables	**2,246**	**2,850**
	Classification as required by MSME Act		
	Total outstanding dues of Micro Enterprises and Small Enterprises*	135	33
	Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2,111	2,817
	Total trade payables	**2,246**	**2,850**
* 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. Total interest on MSME dues paid after the appointed day as per MSME Act, 2006 is Rs.179,610 for the year 2020-21. The company has not provided interest for the dues outstanding for the specified period of few parties since such cases are under dispute. Also confirmation of balance is awaited from those parties.			
25	**OTHER CURRENT FINANCIAL LIABILITIES**		
	Current maturities of long term debt	80	73
	Current maturities of car loan	6	18
	Unclaimed dividend	-	1
	Security deposits	13	13
	Others:		
	- Other payables	149	521
	Total current financial liabilities	**248**	**626**
26	**OTHER CURRENT LIABILITIES**		
	Advance from customers	102	30
	Statutory and other dues	113	41
	Liabilities related to employees	164	104
	Other liabilities	322	264
	Deferred Lease Liability IND AS 116	99	209
	Others-Refund Liability	43	40
	Total other current liabilities	**843**	**689**

(₹ in lakhs)

Particulars			Year ended March 31, 2021	Year ended March 31, 2020
27	**REVENUE FROM OPERATIONS**			
	a)	Sale of products		
		Pharmaceutical	15,294	12,954
	b)	Other operating income		
		Sale of scrap	6	8
		Excise duty recovered on operating income	14	22
		Conversion charges/income from job work	14	19
		Miscellaneous - operating income	0	0
		Commission received	12	10
		Export duty credit/duty drawback		-
	Total revenue from operations		**15,340**	**13,013**

(₹ in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
28 OTHER INCOME		
Interest income	7	8
Interest on others	9	7
Provisions/ Liabilities written back	65	5
Insurance claim local	4	1
Miscellaneous income -non operating	2	15
DEPB Transfer/Duty Drawback	2	-
Profit on sale of assets (net)	0	-
Exchange Rate (Loss)/ Gain	-	26
Total other income	**89**	**62**
29. COST OF MATERIALS CONSUMED		
a) Raw Material Consumed		
Opening Stock	1,875	1,464
Purchases	2,500	2,923
Freight & Carriage Inward	-	-
	4,375	4,387
Less : Sales	90	-
Less : Closing Stock	1,470	1,875
Raw Material Consumed	**2,815**	**2,512**
b) Packing Material Consumed		
Opening Stock	461	444
Purchases	559	718
	1,020	1,161
Less: Sales	-	-
Less : Closing Stock	389	461
Packing Material Consumed	**631**	**701**
Total Cost of material consumed	**3,446**	**3,213**
30 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE		
Opening Inventories of :		
Finished Goods	1,262	1,343
Work in Progress	136	124
	1,398	**1,467**
Closing Inventories of :		
Finished Goods	1,145	1,262
Work in Progress	113	136
	1,258	**1,398**
Total changes in inventories of finished goods, work in progress and stock-in-trade	**140**	**69**

31. EMPLOYEE BENEFITS EXPENSES		
Salaries & wages	2,389	2,146
Contribution to provident and other Funds	180	124
Staff welfare expenses	153	147
Total employee benefits expense	**2,722**	**2,417**

(₹ in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
32. FINANCE COSTS		
Interest Expense on borrowing from banks and others	505	588
IND AS 116 - Finance Cost	24	29
Other Borrowing Costs		
Total finance costs	**529**	**617**
33 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of property, plant and equipment	148	155
Amortisation of intangible assets	1	1
Amortisation (Ind AS 116)	97	98
Total depreciation and amortisation expense	**246**	**254**
34 OTHER EXPENSES		
(a) Operating, administrative & other expenses		
Consumptiom of stores and spares	49	56
Rent	39	46
Rates & taxes	17	24
Sales tax	34	40
Repairs & maintenance		
Building	12	5
Plant & machinery	80	87
Others	46	44
Insurance charges	13	10
Electricity & water	16	23
Factory power & fuel	143	158
Job-work charges- manufacturing service charges	44	58
Tour & travelling expenses	830	824
Vehicle running & maintenance	56	50
Conveyance expenses	7	28
Legal & professional fee	106	109
Membership fee & subscription	51	28
Office & general expenses	96	91
Postage and telegram	10	10
Bank charges	22	24
Printing & stationary	35	12
Charity & donations	1	-
Foreign exchange rate fluctuation on expenses	4	-
Security expenses	42	40
Telephone & telex charges	26	29
Laboratory expenses	42	4
Directors fee	4	3
Trade marks	13	12
Loss on sale of assets	0	0
Auditors remuneration [refer note 34(a)]	8	8
(b) Selling & distribution expenses		
Selling expenses	42	51

(₹ in lakhs)

Particulars			Year ended March 31, 2021	Year ended March 31, 2020
		Advertisement & publicity	2	1
		Business promotion expenses	800	880
		Bad debt written off	30	15
		Provision for doubtful debts	40	-
		Clearing, forwarding & freight	181	166
		Rebates & discount allowed	323	196
		Insurance expenses- goods-in-transit	3	4
		Handling expenses	3	4
		Clearing & forwarding agents commission	370	333
	Total other expenses		**3,641**	**3,473**
34	**(a)**	**Details of Auditors' remuneration**		
		Audit fee	3	3
		Tax audit fee	1	1
		For other services such as certification	4	4
	Total auditors remuneration		**8**	**8**

(₹ in lakhs)

Particulars			Year ended March 31, 2021	Year ended March 31, 2020
35	**TAX EXPENSE**			
	(a)	**Current tax**		
		Tax on profits for the year	174	55
		Adjustments for prior periods	-	-
	Total income tax		**174**	**55**
	(b)	**Deferred tax**		
		Decrease (increase) in deferred tax assets	(49)	29
		(Decrease) increase in deferred tax liabilities	87	(29)
			38	-
		Less : Recognised in OCI	-	-
		Total deferred tax expense/(benefit)	**38**	**-**
		Total tax expense	**212**	**55**
		Tax on other comprehensive income	5	9
	Income tax		**217**	**64**

36 FAIR VALUE MEASUREMENTS

Financial instruments by category

(₹ in lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	FVOCI	Amortised cost	FVOCI	Amortised cost
Financial assets				
Investments				
- Equity instruments	8		5	
- Subsidiaries				
Fixed Deposits		8		45
Trade Receivables		3,620		2,594
Cash and cash equivalents		44		22
Other Bank Balance		58		41
Security deposits		215		158
Total financial assets	**8**	**3,945**	**5**	**2,860**
Financial liabilities				
Borrowings		4,057		4,091
Security deposits		311		311
Trade payables		2,246		2,850
Capital creditors		-		-
Unclaimed Dividend		-		1
Others		162		535
Total financial liabilities	**-**	**6,776**	**-**	**7,788**

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

Particulars	As at March 31, 2021	As at March 31, 2020
	Level 1	Level 1
Financial Assets at FVOCI		
Investment in equity shares		
Industrial Development Bank of India Limited	2	1
Vijaya Bank	6	4
Total financial assets at FVOCI	**8**	**5**

(ii) Fair value hierarchy

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

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, security deposits included in level 3.

(iii) Assets and liabilities which are measured at amortised cost for which fair values are disclosed

All the financial asset and financial liabilities measured at amortised cost, carrying value is an approximation of their respective fair value.

(iv) Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

37 Financial risk management

The Company's activities expose it to market risk (i.e., currency risk, interest rate risk and market price risk), liquidity risk and credit risk. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk :

The company's risk management is carried out by a treasury department under policies approved by the Board of Directors, Company Treasury identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments and investment of excess liquidity.

(A) Market risk

(i) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the respective companies' functional currency.

The exposure of the Company to foreign currency risk is not significant. The position of foreign currency exposure to the Company as at the end of the year expressed in INR are as follows :

Currency	Receivables	Payables
March 31, 2021		
US Dollar (USD)	**2.00**	-
Net exposure to foreign currency risk	**2.00**	**-**
March 31, 2020		
US Dollar (USD)	**1.50**	-
Net exposure to foreign currency risk	**1.50**	**-**

Sensitivity

If INR is depreciated or appreciated by 5% vis-a-vis foreign currency, the impact thereof on the profit and loss of the company are given below:

(₹ in lakhs)

Particulars	Impact on profit after tax	
	March 31, 2021	March 31, 2020
USD sensitivity		
INR/USD Increases by 5% (March 31, 2020 - 5%)	20	15
INR/USD Decreases by 5% (March 31, 2020 - 5%)	(20)	(15)
* Holding all other variables constant		

(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:

(₹ in lakhs)

Particulars	March 31, 2021	March 31, 2020
Variable rate borrowings	1,741	1,014
Fixed rate borrowings	2,316	3,077
Total borrowings	**4,057**	4,091

As at the end of the reporting period, the company had the following variable rate borrowings outstanding:

Particulars	Weighted average interest rate	Balance	% of total loans
March 31, 2021			
Bank overdrafts, bank loans, Cash credit	12.17	1,741	43%
March 31, 2020			
Bank overdrafts, bank loans, Cash credit	12.16	1,014	25%

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in lakhs)

Particulars	Impact on profit after tax	
	March 31, 2021	March 31, 2020
Interest rates – increase by 50 basis points (50 bps)	9	5
Interest rates – decrease by 50 basis points (50 bps)	(9)	(5)

(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 on April 1, 2018	**126**
Changes in loss allowance	52
Loss allowance on March 31, 2019	**178**
Changes in loss allowance	20
Loss allowance on March 31, 2020	**198**
Changes in loss allowance	47
Loss allowance on March 31, 2021	**245**

(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, 2021	March 31, 2020
Floating rate		
Cash credit/WCTL facility	892	793

The bank overdraft and cash credit facilities may be drawn at any time and may be terminated by the bank without notice.

(ii) Maturities of financial liabilities

The table below analyses the company's all non-derivative financial liabilities into relevant maturity based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities:

Particulars	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
Non-derivatives				
March 31, 2021				
Borrowings	2,324	1,134	513	3,971
Trade payables	2,246	-	-	2,246
Security deposits	-	-	311	311
Other financial liabilities	162	-	-	162
Total non-derivative liabilities	**4,732**	**1,134**	**824**	**6,690**
March 31, 2020				
Borrowings	3,163	414	513	4,090
Trade payables	2,850	-	-	2,850
Security deposits	-	-	311	311
Other financial liabilities	535	-	-	535
Total non-derivative liabilities	**6,549**	**414**	**824**	**7,786**

38 Capital management

(a) Risk management

The company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

The gearing ratios of the Company are as follows:

(₹ in lakhs)

Particulars	March 31, 2021	March 31, 2020
Net debt (net of cash and cash equivalents)	3,971	4,091
Total equity	702	702
Net debt to equity ratio	**566%**	**583%**

39 RELATED PARTY TRANSACTIONS

(a)	List of Related Parties
	A. Key Management Personnel of the company and close member of Key Management Personnel of the company
1	Mr. Abhay Kanoria
2	Mr. Uddhav Kanoria
3	Mr. N Ahmedali
4	Ms. Neha Rajen Gada
5	Mr. Nirbhay Kanoria
6	Mr. Sanatkumar Shirali
7	Mr. Shashikant N More
8	Dr. Rajeshwar B Smarta
9	Mr. Rakesh P Kanyadi
10	Mrs. Pallavi Kanoria (Wife of Mr Abhay Kanoria)
11	Mr. Harshwardhan Murarka
12	Mrs. Deepa Ramachandran

B. Subsidiaries

i) Anglo-French Drugs & Industries PTE Ltd, Singapore

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

i) The Anglo-French Drug Co. ESTN Ltd Employee`s Gratuity Fund

ii) Group Supperannuation Scheme under LIC of India

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

1 Aakruti Investments Ltd.

2 Abhay Kanoria Family Trust

3 Broach Textile Mills Ltd.

4 Ekta Tie-up Pvt. Ltd.

5 GBK Charitable Trust

6 Radha Kesari Spinning Mills Ltd.

7 Sudarshan Exports Ltd.

8 Sudarshan Services Ltd.

9 Ninand finance & Properties Pvt Ltd

(b) Transactions with Related Parties for the year ended March 31, 2021 (₹ in Lakhs)

Nature of Transactions	Subsidiaries		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	
	2021	2020	2021	2020	2021	2020	2021	2020
EXPENSES:								
i) Rent paid								
Sudarshan Services Ltd.								
Mr. Abhay Kanoria					11	11		
Mrs.Pallavi Kanoria					11	11		
ii) Receiving of Services – Administrative, Commercial & Accounting service								
Sudarshan Services Ltd.			-	-				
iii) Interest Paid								
Sudarshan Services Ltd			76	72				
Ninand finance & Properties Pvt Ltd			106					
iv) Remuneration Paid								
Mr. Abhay Kanoria					70	49		
Mr. Uddhav Kanoria					52	42		
Mr. Nirbhay Kanoria					40	32		
Mrs. Pallavi Kanoria					29	18		
Mr. Kushal Jain						0.68		
Mr. Harshwardhan Murarka					14	11		
Ms. Deepa Ramachandran					9	5		
Mr. Rakesh P Kanyadi					22	13		
v) Director`s sitting fees								
Mr. Sanatkumar Shirali					0.80	0.60		
Ms. Neha Rajen Gada					1.10	0.40		
Mr. N Ahmedali					1.40	1.30		

Nature of Transactions	Subsidiaries		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	
	2021	2020	2021	2020	2021	2020	2021	2020
Mr. Shahikanth More					0.40	0.30		
Dr. Rajeshwar Bhaskar Smarta					0.70	0.60		
INCOME:								
i) Sale of Pharmaceutical products								
Anglo-French Drugs & Industries Pte Ltd, Singapore	130	40						
OTHER RECEIPTS:								
i) Inter Corporate Deposit Received								
Sudarshan Services Ltd			-	-	-	-		
Contribution of Gratuity Fund								
The Anglo-French Drug Co. ESTN Ltd Employee`s Gratuity Fund							60	32
Group Supperannuation Scheme under LIC of India								
Refund of Gratuity								
The Anglo-French Drug Co. ESTN Ltd Employee`s Gratuity Fund							27	35

(c) Outstanding Balances as on March 31, 2021

(₹ in lakhs)

Nature of Transactions	Subsidiaries		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	
	2021	2020	2021	2020	2021	2020	2021	2020
PAYABLES :								
i) For Goods & Services								
Sudarshan Services Ltd *	-	-	-	-				
ii) Inter Corporate Deposit								
Sudarshan Services Ltd *			749	655				
Ninand finance & Properties Pvt Ltd *			440					
LOANS & ADVANCES AND RECEIVABLES :								
iii) For Goods & Services								
Anglo-French Drugs & Industries Pte Ltd, Singapore *	100	43						
iv) Security Deposit								
Mr. Abhay Kanoria			12	12				

40. Contingent liabilities

The company had contingent liabilities at March 31, 2021 in respect of:

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

(₹ in lakhs)

Particulars	March 31, 2021	March 31, 2020
a) Value Added Tax/Sales Tax	148	148
b) Service Tax/ Excise Duty	116	116
c) TDS defaults as per TDS-CPC	18	18

a. The Management believes that the outcome of the above will not have any material adverse effect on the financial position of the company.

b. The Company does not expect any reimbursements in respect of the above contingent liabilities.

c. The assessed tax liability is ₹ 148 lakhs towards Value added tax / sales tax and Rs.116 lakhs towards service tax are under dispute as at March 31, 2021 based on the favourable decision of the Appellate Authorities and the interpretation of the other relevant provisions, the Company has been advised that the demand raised by the Department may not crystallise into a potential obligation. Accordingly, no provision is considered necessary.

d. TDS demand is due to errors in filling the TDS returns, which are being revised. On revision, the liability is likely to get adjusted and hence no provision has been made

e. It is not practicable to estimate the timing of cash outflows, if any, in respect of matters above pending resolution of the arbitration / appellate proceedings. Further, the liability above excludes interest and penalty in cases where the company has determined that the possibility of such levy is remote.

(b) Guarantees :

i. Counter guarantees issued to banks and remaining outstanding INR 469.61 lakhs (2020 - INR 483 lakhs).

ii. Letter of credit opened and remaining outstanding INR 27 .84 lakhs (2020 - INR 18 lakhs).

(c) Capital Commitments - Nil

41. Leases

Applicability of Ind AS 116 – As a lessee

Ind AS 116 on "Leases" is mandatory for reporting periods beginning on or after 1st April, 2019 as notified by the Ministry of Corporate Affairs (MCA) vide Companies (Indian Accounting Standards) Rules, 2015 as amended, replacing the existing lease rental recognition criteria. The application of Ind AS 116 has impacted the company's accounting for recognition of leases payments.

Under this standard, amortisation cost and Finance cost has increased by Rs 100.15 lakhs and Rs 19.93 lakhs respectively and corresponding rent has decreased by Rs 123.97 lakhs. Application of this standard resulted in increased of profit amounting to Rs. 3.89 lacs. The single accounting model introduced by Ind AS 116 recognises a right-of-use asset amounting to Rs 268.34 lakhs representing its right to use the underlying assets and a lease liability of the equivalent amount representing its obligation to make lease payments.

The 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 to the tune of Rs 49.49 lakhs.

The following are the leasing arrangements entered into by the Company which has been considered for IND AS 116.

Sr. No	Location	Name of Land Lord	Period		Deposit	Rent P.M.	Rent for One Year	Rent for the Period
			From	To				
1	Corporate Office	Rathna Shivarudrappa	01.04.2014	31.03.2016	16,50,000	1,40,000	16,80,000	33,60,000
			01.04.2016	31.03.2018		1,65,000	19,80,000	39,60,000
			01.04.2018	31.03.2021		1,90,000	22,80,000	68,40,000
2	Guest House-Pebble Bay	Amod Vig	01.09.2017	31.08.2018	15,00,000	1,60,000	19,20,000	19,20,000
			01.09.2018	31.08.2019		1,68,000	20,16,000	20,16,000
			01.09.2019	31.08.2020		1,76,400	21,16,800	21,16,800
			01.09.2020	31.08.2021		1,85,220	22,22,640	22,22,640
			01.09.2021	31.08.2022		1,94,480	23,33,760	23,33,760
3	Mumbai Office	The Phoenix Mills Limited	18.12.2016	17.12.2021	45,80,180	7,78,363	93,40,356	4,67,01,780

42 (a) **Details of Raw Materials Consumed**

(₹ in lakhs)

Description	Units	Current Year		Previous Year	
		Quantity	Amount	Quantity	Amount
PHARMACEUTICALS					
Calcium D Pantohenate IP	Kgs	3,748	165	3,510	100
Ascoric Acid	Kgs	66,133	419	56,135	291
Miscellaneous			2,231	-	2,122
(None individually account for more than 10% of total consumption)					
			2,815		**2,512**

(b) **Value of Raw Materials Stores and Spare Parts consumed:** (₹ in lakhs)

Description	Current Year		Previous Year	
	Amount	%	Amount	%
a) Raw Materials:				
Imported	-	-	-	0
Indigenous	2,815	100	2,512	100
	2,815	100	2,512	100
b) Stores and Spare Parts				
Imported	-	-	-	-
Indigenous	15	100	36	100
	15	100	36	100

(c) **Purchase of Stock -in-Trade** (₹ in lakhs)

Description	Units	Current Year		Previous Year	
		Quantity	Amount	Quantity	Amount
Formulations:					
a) Tablets	Million	256	1,988	204	997
b) Liquids	Bottles	80,67,729	947	64,06,487	646
c) Injections	Litres	13,466	289	1,36,401	179
d) Capsules	Million	55	560	48	381
e) Granules	Kgs	4,582	8	1,632	2
f) Powder	Kgs	2,41,323	247	97,473	84
g) Ointment	Kgs	55,664	356	45,150	269
h) Others	Nos.	10,75,440	66	7,37,874	37
			4,461		**2,595**

(d) **Value of Imports on CIF basis**

Description	Current Year		Previous Year	
	USD	Rs. In lakhs	USD	Rs. In lakhs
i) Raw Materials		-		-
ii) Components and Spare Parts		-		-
Expenditure in Foreign Currency	90,774	68	1,21,419	79
F.O.B Value of Exports				
In Foreign Currency	11,96,272	883	10,32,691	724

43 Company's investments in 100% subsidiary' 'Anglo-French Drugs & Industries PTE. Limited Singapore (AFDIPL)' amounting Rs 24 lakhs is long term in nature and which has been provided in the books on the date of transition to Ind AS. Though AFDIPL has incurred a net profit of Rs 42 lakhs during the year ended 31st March, 2021 but it has incurred losses for the past year and has accumulated negative reserves to the tune of Rs 18 lakhs as on 31st March, 2021 and, as of that date, AFDIPL current assets exceeded its current liabilities by Rs 13 lakhs and its total assets exceeded its total liabilities by Rs 6 lakhs . These factors raise substantial doubt that the said subsidiary Company will be able to continue as a going concern. However, as per management projections no adjustment is necessary for impairing the carrying cost of Trade Receivables amounting Rs.100 lacs which is outstanding as an 31st March, 2021.

44 As per para 4 of Indian Accounting Standard (Ind AS) 108 - Operating Segments, if a financial report contains both the consolidated financial statements of a parent that is within the scope of this Ind AS as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Hence segment information as required under Ind AS 108 - Operating Segments is given in the consolidated Ind AS financial Statements of the Company.

45 Earnings per Share

Particulars	March 31, 2021	March 31, 2020
a. Basic earnings per share	58.47	19.47
b. Diluted earnings per share	58.47	19.47

(₹ in lakhs)

Particulars	March 31, 2021	March 31, 2020
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	709	226
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	709	226

Particulars	March 31, 2021	March 31, 2020
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	12,12,687	11,62,500
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.	12,12,687	11,62,500

46 Research and Development Expenses (₹ in lakhs)

Particulars	March 31, 2021	March 31, 2020
Material Consumption	6	5
Laboratory consumption	7	9
Employee Benefits Expense	17	18
Others	1	1
	31	**33**

47 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.27 "Revenue from Operations"

ii The disaggregation of revenues is as under: (₹ in lakhs)

Nature	March 31, 2021	March 31, 2020
Revenue from contracts with customers		
Revenues from sale of goods	15,294	12,954
Revenues from sale of scrap	6	8
(Other operating income)		
	15,300	**12,962**

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

(₹ in lakhs)

Nature	March 31, 2021		March 31, 2020	
	Domestic	Exports (including deemed exports)	Domestic	Exports (including deemed exports)
Revenue from contracts with customers				
Revenues from sale of goods	13,916	1,378	11,601	1,353
Revenues from sale of scrap	6	-	8	-
(Other operating income)				
	13,922	**1,378**	**11,609**	**1,353**

iv) The movement in Company's receivables, contract assets and contract liabilities are as under: (₹ in lakhs)

Nature	Contract Asset	Contract Liabilities
Balance as at the beginning of the year	40	81
Additions	43	85
Adjustments	(40)	(81)
Balance as at the end of the year	**43**	**85**

v The revenue from contracts with customers for the year includes variable consideration (discounts & rebates) of Rs 36 lakhs , which has been deducted from the transaction price. The company uses expected value method in measuring the variable consideration. There were no constraints in estimating variable consideration.

vi The revenue from contracts with customers for the year also include the impact of customers' right to return the goods of Rs. 85 lakhs . The same has been deducted from the transaction price. The corresponding cost of materials to be returned to the company amounting to Rs 43 lakhs has been adjusted with cost of consumption. The corresponding refund liability and right to recover an asset have been recognised in the financial statements.

48 Critical judgements

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.

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.

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 & Mar21. 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.

Trade Receivable :

The collectibility of receivables is assessed on an on going basis. An allowance for doubtful debts is made for any account considered to be doubtful of collection and also .

Allowance for doubtful debts is made based on a review of all outstanding accounts as at the balance sheet date. A considerable amount of judgement and estimate is required in assessing the ultimate realisation of these receivables, including the creditworthiness, the past collection history of each customer and subsequent collection up to date of report. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

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.

Defined Benefit Obligation:

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 ‘Employee benefits’ over the period during which benefit is derived from the employees’ services. The costs are assessed on the basis of assumptions selected by themanagement. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 21, ‘Employee benefits’

Fair value measurement :

Fair value measurement of financial instruments When the fair values of financials assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

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.

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 40 to the standalone 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.

49 Significant Events after the reporting year - There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

50 Previous year’s figures have been regrouped / reclassified wherever necessary to correspond with the current year’s classification / disclosure.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Anglo-French Drugs & Industries Limited** ("the Company") and its subsidiary (the Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 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 consolidated state of affairs of the Group as at March 31, 2021, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) 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 Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated 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 and the paragraph (ii) to the paragraph on 'Other Matters', to provide a basis for our audit opinion on the consolidated financial statements.

Due to the COVID - 19 induced restrictions on physical movement and strict timelines, our audit team could not visit the company office regularly at Bengaluru for undertaking the required audit procedures as prescribed under ICAI issued Standards on Auditing and ICAI Advisory for Statutory Audit. Our opinion expressed in the present report is based on the facts, inputs and information made available to us principally through electronic means by the management of the company and also through telephonic interactions and transmission of web enabled text messages with the management for enquiry, clarification and explanation.

Emphasis of Matter

Effects of COVID-19

We draw attention to Note 3(v) of the consolidated financial statements, which describes the economic and social consequences/disruption the entity is encountering as a result of COVID-19 which is impacting supply chains, consumer demand and personnel available for work being able to access offices and as the situation with COVID-19 is still evolving the management's assessment of the impact on the subsequent period is dependent on the circumstances as they evolve.

Trade Receivable

We draw attention to Note 11 to the consolidated financial statements, on trade receivables from Viva Remedies (an overseas debtor) having outstanding of Rs.1,25,63,657 (USD 240,674) which is more than three years old. The matter relating to realization of the old outstanding balance with Viva Remedies is sub judice before Honorable High Court of Karnataka at Bengaluru since 16th December, 2014.

The Company considers the above said receivable is good and realizable and there is no impairment provision has been made in books.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Key audit matter	Principal audit procedures
Physical verification of inventory using alternative audit procedures involving more effort vis-à-vis a non-COVID-19 scenario. Ensuring veracity of inventory balances as on reporting date (Completeness, Accuracy, Cut off and Valuation) adopting alternative audit procedures owing to lock down restrictions and travel restrictions imposed by the Government associated with COVID-19.	Understood the process and tested the management's internal controls to establish the existence of inventory in relation to the process of periodic physical verification carried out by the management, the scope and coverage of the periodic verification programme, the results of such verification including analysis of discrepancies, if any; At selected locations at the end of the year during Mar21 where the management has carried out the physical verification and we have also participated and test checked the quantity and also we corroborate the same with the books of accounts. Inspected, for samples selected, supporting documentation relating to purchases and consumption, and such other third party evidences where applicable.
Trade receivables net of provisions for expected credit loss as in note no. 11 of the consolidated financial statement Rs.3667 lakhs. Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions and has taken into account estimates of possible effect from the pandemic relating to COVID -19.	Our audit procedures related to the allowance for credit losses for trade receivables, based on the documents and correspondence available with the company and by considering subsequent realization of debts after 31.03.2021. We assessed the ageing of trade receivables and advances, the customer's historical payment patterns and whether any post year-end payments has been received up to the date of completing our audit procedures.

Key audit matter	Principal audit procedures
	Further in addition to the above process, a forward-looking expected loss impairment model as prescribed in IND AS 109 "Financial Instruments" was also applied by the Company. This involves judgment as the expected credit losses must reflect information about past events, current conditions and forecasts of future conditions.
Evaluation of uncertain indirect tax positions pertaining to pre-GST regime: The Company has material uncertain service tax and sales tax positions including matters under dispute which involve significant judgment to determine the possible outcome of these disputes.	Reference may please be made to Annexure B to the Independent Auditor's Report wherein the disputed Service Tax, Sales Tax and Value Added Tax and TDS amounting Rs 116 lakhs, Rs 148 lakhs and Rs.18 lakhs respectively have been disclosed. The Service tax dispute (Rs.116 lakhs comprising Rs.81.90 and Rs 34.17 lakhs) is pending with CESTAT and for which Stay Order has been obtained dated 26-11-2010. The status has remained unchanged since that time with no further hearing date is available. During the FY 2019-20 the Company had availed the Subka Viswas Scheme for settlement of the demand of Rs 21.14 lakhs relating to 1.4.2012 till 31.3.2014 and a penalty of equivalent amount aggregating Rs.42 lakhs. The Sales Tax/VAT dispute amounting Rs 148 lakhs is pending with the Joint Commissioner of Commercial Taxes (Appeals) mainly pertaining to non-submission of statutory C Forms, F-forms and is still in appeal stage without any settlement. TDS demand of Rs.18 lakhs which is appearing as default in TRACES, this default is from financial year 2007-08 to 2017-18, This default is due to errors in filling the TDS returns and which are rectifiable by filing revised returns.

Information Other than the Consolidated 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 consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 and its subsidiary companies which are companies incorporated in India, 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

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 consolidated 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.

Other Matters

i) We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of Rs.127 Lacs as at 31st March, 2021, total revenues of Rs.182 Lacs for the period ended on that date, as considered in the consolidated Ind AS financial statements.

ii) The financial statements of the subsidiary are to be audited by other auditor whose report is yet to be furnished to us by the Management. Accordingly our opinion, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the financial statements prepared by the subsidiary which is yet to be audited. We have audited the conversion adjustments made by the Company's management.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below are formed and prepared in conjunction with the matters as mentioned above.

iii) We draw attention to note 43 in the consolidated financial statements. The subsidiary of the company 'Anglo-French Drugs & Industries PTE. Limited Singapore (AFDIPL)' has incurred a net profit of Rs. 42 Lacs during the year ended 31st March, 2021 with an accumulated loss of Rs 18 lakhs as on that date and, as of that date, AFDIPL current assets exceeded its current liabilities by Rs.13 Lacs and its total assets exceeded its total liabilities by Rs.6 Lacs. These factors indicate the existence of a material uncertainty which may cast significant doubt over the AFDIPL`s ability to continue as a going concern. However, there has been improvement in financial performance compared to the preceding financial year and as the ability of the Company to continue as a going concern is primarily dependent on the undertaking of its immediate and ultimate holding company the subsidiary's ability to continue as a going concern is not questioned. Holding Company has to provide continuing financial support to enable the Company to meet its liabilities as and when they fall due.

iv) Trade receivable includes Rs.125.64 Lacs as on 31st March 2021 outstanding for a period of more than three years from Viva Remedies, which is sub judice since 16-12-2014, which in the opinion of the Holding Company is good and recoverable from Viva Remedies.

Separate financial statements of subsidiary which is incorporated outside India have been prepared in accordance with accounting principles generally accepted in that country and which is to be audited by other auditor under generally accepted auditing standards applicable in that country.

We have audited the conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the financial statements prepared by the management of the subsidiary which is yet to be signed by the other auditor. The conversion adjustments prepared by the management of the Company and verified by us.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations read with our statements made in the second part of the paragraph on 'Basis for opinion' and paragraph ii) of the 'Other matters' paragraph, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    d) In our opinion, the aforesaid consolidated 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 of the Company as on March 31, 2021 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

g) 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.

h) 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 consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group. (Please refer Note 40).

ii. Provision has been made in the consolidated financial statements, 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 and its subsidiary company which is incorporated in India.

For KAMG & ASSOCIATES
Chartered Accountants
Firm's Registration No.311027E

S. Ganesh
Partner
Membership No.232115
UDIN: 21232115AAAAAF6861
Bengaluru dated June 14, 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Anglo-French Drugs & Industries Limited 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")

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of **ANGLO-FRENCH DRUGS AND INDUSTRIES LIMITED** (hereinafter referred to as "Company") except the subsidiary company, **ANGLO-FRENCH DRUGS & INDUSTRIES PTE LTD** which is not audited by us.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (" the ICAI"). 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 the respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, 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 internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, 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, 2021, based on the internal control over financial reporting criteria established by the respective companies 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.

Other Matter

Reporting on Internal Financial Controls over financial reporting is not applicable to subsidiary incorporated outside India.

For **KAMG & ASSOCIATES**
Chartered Accountants
Firm's Registration No.311027E

S. Ganesh
Partner
Membership No.232115
Bengaluru dated June 14, 2021

BALANCE SHEET AS AT MARCH 31, 2021 (CONSOLIDATED)

(₹ in lakhs)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
NON-CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT	4	1,285	1,357
RIGHT OF USE ASSETS		73	170
INTANGIBLE ASSETS	5	3	4
FINANCIAL ASSETS			
(i) Investments	6	8	5
(ii) Trade Receivables	7	-	-
(iii) Other Non-Current Financial Assets	8	39	112
OTHER NON CURRENT ASSETS	9	9	7
TOTAL NON-CURRENT ASSETS		**1,417**	**1,655**
CURRENT ASSETS			
INVENTORIES	10	3,667	4,279
FINANCIAL ASSETS			
(i) Trade Receivables	11	3,626	2,581
(ii) Cash and Cash Equivalents	12	64	23
(iii) Other Bank Balances	13	58	41
(iv) Other Current Financial Assets	14	184	91
CURRENT TAX ASSET (NET)	15		41
OTHER CURRENT ASSETS	16	461	596
TOTAL CURRENT ASSETS		**8,060**	**7,653**
TOTAL ASSETS		**9,477**	**9,308**
EQUITY AND LIABILITIES			
EQUITY			
EQUITY SHARE CAPITAL	17	129	116
OTHER EQUITY	18	1,478	535
TOTAL EQUITY		**1,607**	**651**
LIABILITIES			
NON-CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
(i) Borrowings	19	1,647	927
(ii) Other Non-Current Financial Liabilities	20	311	311
EMPLOYEE BENEFIT OBLIGATIONS	21	106	115
DEFERRED TAX LIABILITIES - NET	22	38	-
TOTAL NON-CURRENT LIABILITIES		**2,102**	**1,353**
CURRENT LIABILITIES			
FINANCIAL LIABILITIES			
(i) Borrowings	23	2,324	3,073
(ii) Trade Payables	24	-	
(a) Total outstanding dues of MSME.		135	33
(b) Total outstanding dues other than MSME.		2,121	2,832
(iii) Other Current Financial Liabilities	25	248	627
Current Tax Liabilities (Net)	15	34	
OTHER CURRENT LIABILITIES	26	847	693
EMPLOYEE BENEFIT OBLIGATIONS	21	58	46
TOTAL CURRENT LIABILITIES		**5,767**	**7,304**
TOTAL EQUITY AND LIABILITIES		**9,477**	**9,308**

The accompanying notes nos 1 - 54 form an integral part of the Financial Statements

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

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

S. Ganesh
Partner
Membership Number 232115

Bengaluru, 14th June 2021

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

Abhay Kanoria
Chairman & Managing Director
DIN : 00108894

N.Ahmedali
Director
DIN : 00704341

Harshwardhan Murarka
Chief Financial Officer

Deepa Ramachandran
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021 (CONSOLIDATED)

(₹ in lakhs)

Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
INCOME			
REVENUE FROM OPERATIONS	27	15,378	13,018
OTHER INCOME	28	102	155
TOTAL INCOME		**15,480**	**13,173**
EXPENSES			
COST OF MATERIALS CONSUMED	**29**	**3,446**	**3,213**
PURCHASES OF STOCK-IN-TRADE		3,784	2,595
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE	30	140	69
EMPLOYEE BENEFITS EXPENSE	31	2,722	2,417
FINANCE COSTS	32	529	617
DEPRECIATION AND AMORTISATION EXPENSE	33	246	254
OTHER EXPENSES	34	3,650	3,486
TOTAL EXPENSES		**14,517**	**12,651**
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX		**963**	**522**
EXCEPTIONAL ITEMS - PROFIT / (LOSS)	34(b)	-	(156)
PROFIT/(LOSS) BEFORE TAX		**963**	**366**
TAX EXPENSE			
CURRENT TAX	35	174	55
DEFERRED TAX	35	38	-
PROFIT/(LOSS) FOR THE YEAR		**751**	**311**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
- Remeasurement of Post-employment benefit obligations		(35)	(27)
- Change in equity instruments- Fair value through Other Comprehensive Income		2	(6)
- Tax relating to these items			
1) Current Tax	35	5	9
2) Deferred Tax		0	-
Total Other Comprehensive Income/ (Loss) for the year, net of tax		**(28)**	**(24)**
Total Comprehensive Income for the year		**723**	**287**
Earnings per equity share (in INR) (Face value INR 10)			
(1) Basic	45	61.94	26.72
(2) Diluted	45	61.94	26.72

The accompanying notes nos 1 - 54 form an integral part of the Financial Statements

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

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

S. Ganesh
Partner
Membership Number 232115

Bengaluru, 14th June 2021

For and on behalf of the Board of Directors of
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DIN : 00108894

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DIN : 00704341

Harshwardhan Murarka
Chief Financial Officer

Deepa Ramachandran
Company Secretary

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021 (CONSOLIDATED)

(₹ in lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Cash flow from operating activities		
Profit / (Loss) before income tax	**963**	**311**
Adjustments for		
Depreciation and amortisation expense	246	254
(Gain)/loss on disposal of property, plant and equipment	0	0
Provisions Written Back	(77)	(98)
Interest income classified as investing cash flows	(9)	(7)
Finance costs	529	617
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(1,045)	369
(Increase)/Decrease in inventories	613	(298)
(Increase)/ Decrease in other financial assets	(20)	(17)
(Increase)/Decrease in other non-current assets	(2)	20
(Increase)/Decrease in other current assets	135	(71)
Increase/(Decrease) in trade payables	(531)	399
Increase/ (Decrease) in employee benefit obligations	(32)	(14)
Increase/(Decrease) in other financial liabilities	(379)	(254)
Increase/(Decrease) in other current liabilities	160	308
Cash generated from operations	**550**	**1,513**
Income taxes paid (net of refund)	(99)	1
Net cash inflow from operating activities	**451**	**1,514**
Cash flows from investing activities		
Payments for property, plant and equipment	(75)	(307)
Proceeds from sale of property, plant and equipment	3	2
Changes in Other bank balances	(17)	24
Interest received	9	7
Net cash outflow from investing activities	**(79)**	**(274)**
Cash flows from financing activities		
Proceeds from Issuing share capital	232	
Proceeds from borrowings:		
Term Loan	(43)	200
Cash Credit (net)	727	(579)
Others	(727)	(145)
Repayment of borrowings:		
Term Loan	7	(80)
Car Loan	2	(17)
Interest paid	(529)	(617)
Unclaimed Dividends paid	(1)	(1)
Net cash inflow (outflow) from financing activities	**(331)**	**(1,239)**
Net increase (decrease) in cash and cash equivalents	**41**	**1**
Cash and cash equivalents at the beginning of the year	23	22
Cash and cash equivalents at the end of the year	**64**	**23**

The accompanying notes nos 1 - 54 form an integral part of the Financial Statements

This is the Statement of Cash Flows referred to in our report of even date.

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

S. Ganesh
Partner
Membership Number 232115

Bengaluru, 14th June 2021

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

Abhay Kanoria
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N.Ahmedali
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Harshwardhan Murarka
Chief Financial Officer

Deepa Ramachandran
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021 (CONSOLIDATED)

A. Equity share capital

Particulars	(₹ in lakhs)
As at April 1, 2018	**116**
Changes in equity share capital during the year	-
As at March 31, 2019	**116**
Changes in equity share capital during the year	-
As at March 31, 2020	**116**
Changes in equity share capital during the year	13
As at March 31, 2021	**129**

B. Other equity (₹ in lakhs)

Particulars	Reserves and surplus				Other Comprehensive income	Total
	Capital Reserve	Securities premium reserve	General Reserve	Retained earnings (Surplus)		
Balance at April 1, 2018	43	70	549	(337)	4	329
Profit for the year	-	-	-	(85)	-	(85)
Other comprehensive income for the year, net of tax	-	-	-	37	(6)	31
Total comprehensive income for the year	**-**	**-**	**-**	**(48)**	**(6)**	**(54)**
Balance as at March 31, 2019	**43**	**70**	**549**	**(385)**	**2**	**275**
Balance at April 1, 2019	**43**	**70**	**549**	**(385)**	**2**	**279**
Effect of IND AS 116				(49)		(49)
Restated Balance as at April 1, 2019	**43**	**70**	**549**	**(434)**	**2**	**230**
Earlier Year Effects Considered				18		
Profit for the year	0	0	0	311	0	311
Other comprehensive income for the year, net of tax	0	0	0	(18)	(6)	(24)
Total comprehensive income for the year	**0**	**0**	**0**	**311**	**(6)**	**287**
Balance as at March 31, 2020	**43**	**70**	**549**	**(123)**	**(4)**	**535**
Balance at April 1, 2020	**43**	**70**	**549**	**(123)**	**(4)**	**535**
Effect of IND AS 116				-		-
Restated Balance as at April 1, 2020	**43**	**70**	**549**	**(123)**	**(4)**	**535**
Earlier Year Effects Considered				-		
Profit for the year	0	219	0	751	0	970
Other comprehensive income for the year, net of tax	0	0	0	(29)	2	(27)
Total comprehensive income for the year	**0**	**219**	**0**	**722**	**2**	**943**
Balance as at March 31, 2021	**43**	**289**	**549**	**599**	**(2)**	**1,478**

The accompanying notes form an integral part of the Financial Statements

This is the Statement of changes in equity referred to in our report of even date.

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

S. Ganesh
Partner
Membership Number 232115

Bengaluru, 14th June 2021

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

Abhay Kanoria
Chairman & Managing Director
DIN : 00108894

N.Ahmedali
Director
DIN : 00704341

Harshwardhan Murarka
Chief Financial Officer

Deepa Ramachandran
Company Secretary

NOTES TO ACCOUNTS (CONSOLIDATED)

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.

COVID-19

In continuation of the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers.

The Board of Directors approved the financial statements for the year ended March 31, 2021 and authorised for issue on June 14, 2021.

The consolidated financial statements relate to Anglo-French Drugs & Industries Limited and its subsidiary company as referred in **Note 48** (collectively referred as "the Group").

1 SIGNIFICANT ACCOUNTING POLICIES

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

(a) BASIS OF PREPARATION

(i) Compliance with Ind AS

The consolidated financial statements have been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 (referred to as Ind AS) as prescribed under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time, as a going concern on accrual basis.

(ii) Historical cost convention

The consolidated 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 consolidated 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.

(b) PRINCIPLES OF CONSOLIDATION

Subsidiary

Subsidiary is an entity over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which control is transferred to the group. It is deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

(c) PROPERTY, PLANT AND EQUIPMENT

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

Transition to IND AS

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

Depreciation methods, estimated useful lives and residual value

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

Derecognition

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

(d) 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 group.

Derecognition:

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

(e) FINANCIAL INSTRUMENTS

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

(i) FINANCIAL ASSETS:

(A) Classification:

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

(B) Initial recognition and measurement:

A financial asset is classified as measured at

— Amortised Cost;

— FVOCI — debt instruments;

— FVOCI - equity investment; or — FVTPL

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

Debt instruments:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Debt instuments 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.

Equity investment:

The group subsequently measures all equity investments in companies other than equity investments in subsidiary at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in other comprehensive income or FVTPL. The group makes such election on an instrument by instrument basis. Dividends from such investments are recognised in profit or loss as other income when the group's right to receive payments is established.

(C) Derecognition:

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

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

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

(D) Impairment:

In accordance with Ind-AS 109, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt investments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance, Lease receivables

(b) Trade receivables

The group follows 'simplified approach' for recognition of impairment loss allowance on:

Trade receivables which do not contain a significant financing component.

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. **Note 37** details how the group determines whether there has been a significant increase in credit risk.

For trade receivables only, the group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(ii) FINANCIAL LIABILITIES:

(A) Classification:

The group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(B) Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

(C) Derecognition:

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

(iii) OFFSETTING FINANCIAL INSTRUMENT:

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

(iv) INCOME RECOGNITION:

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

(f) CASH AND CASH EQUIVALENTS

Cash and Cash equivalents for the purpose of consolidated Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments. To be classified as cash and cash equivalents, the financial asset must:

- be readily convertible into cash;
- have an insignificant risk of changes in value; and
- have a maturity period of three months or less at acquisition.

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

(g) REVENUE RECOGNITION

(A) Sale of goods

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

Ind AS 18 and Ind AS 11 are disclosed separately, if they are different from those under Ind AS 115. Revenue is measured at the transaction price of the consideration received or receivable duly adjusted for variable consideration & customer's right to return the goods and the same represents amounts receivable for goods and services provided in the normal course of business. Revenue also excludes taxes collected from customers. Any retrospective revision in prices is accounted for in the year of such revision.

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

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

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

(B) Export Incentive

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

(C) Interest Income

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

(D) Dividend Income

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

(h) EMPLOYEE BENEFITS

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

(i) Short-term obligations

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

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

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

(ii) Post-employment obligations

The group operates the following post-employment schemes:

Gratuity obligations –

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

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

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

Provident Fund –

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

Superannuation Fund -

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

(i) 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.

(j) FOREIGN CURRENCY TRANSLATION

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

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

(i) Presentation Currency

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

(ii) Transactions and balances

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

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

(k) TAXES ON INCOME

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

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

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

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

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

(l) 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.

(m) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

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

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

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

(n) SEGMENT REPORTING

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

(o) 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.

(p) 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.

(q) GOVERNMENT INCENTIVES

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

Incentives that the group is entitled to unconditionally on 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 New standards/amendments that are not yet effective and have not been early adopted:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

3 Significant estimates and judgements

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

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

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

i) Impairment of trade receivable:

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

ii) Post-employment benefits:

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

iii) Sales returns and rebates:

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

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

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

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

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

v) Impact of Covid 19

On the basis of its assessment of the impact of the outbreak of COVID-19 on business operations of the entity, the entity's management may conclude that no adjustments are required in the financial statements as it does not impact the current financial year. However, the situation with COVID-19 is still evolving. Also, the various preventive measures taken (such as lockdown restrictions by the Government of India, travel restrictions etc.) are still in force, leading to a highly uncertain economic environment. Due to these circumstances, the management's assessment of the impact on the subsequent period is dependent upon the circumstances as they evolve.

4. Property, Plant and Equipment

(₹ in lakhs)

Particulars	Gross carrying amount				Accumulated Depreciation				Carrying Value
	As at April 01, 2020	Additions	Sales/ Adjustments	Balance as at March 31, 2021	As at April 1, 2020	For the Year	Sales/ Adjustments	As at March 31, 2021	As at March 31, 2021
Freehold land	8	-	-	8	-	-	-	-	8
Buildings	805	-	-	805	129	36	-	164	640
Plant & equipment	676	7	-	684	182	49	-	231	452
Furniture & fittings	140	0	-	140	84	12	-	96	44
Vehicles	152	18	-	170	70	19	-	89	81
Office equipment	37	2	1	38	37	1	0	38	0
Computers	209	50	1	259	168	30	1	198	61
TOTAL	**2,027**	**77**	**2**	**2,102**	**670**	**148**	**1**	**817**	**1,285**

IND AS 116

Right of Use Assets as on 31-3-2020 **170**

(representing right of use of underlying assets)

Refer Note below

Amortisation Charge **97**

Note :

net carrying amount as on 31-3-2021 **73**

5. Intangible Assets

(₹ in lakhs)

Particulars	Gross carrying amount				Accumulated Depreciation				Carrying Value
	As at April 1, 2020	Additions	Sales/ Adjustments	Balance As at March 31, 2021	As at April 1, 2020	For the Year	Sales/ Adjustments	As at March 31, 2021	As at March 31, 2021
Trademarks	-	-	-	-	-	-	-	-	-
Computer software	8	-	-	8	4	1	-	5	3
TOTAL	**8**	**-**	**-**	**8**	**4**	**1**	**-**	**5**	**3**

(₹ in lakhs)

	Particulars	As at March 31, 2021	As at March 31, 2020
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 (2020- 5,760) Equity shares of INR 10 each in Industrial Development Bank of India Limited	2	1
	19,400 (2020- 19,400) Equity shares of INR 10 each in Vijaya Bank	6	4
	Note-The merger of Vijaya Bank and Dena Bank with Bank of Baroda has taken place which will be effective from 1st Apr 2019.		
	Total Investment in equity instruments	**8**	**5**
	Total non-current investments	**8**	**5**
	Aggregate amount of quoted investments	8	5
	Market value of quoted investments	8	5
7	**TRADE RECEIVABLES**		
	Doubtful		
	Receivables from related parties	-	-
	Receivables other than from related parties	-	-
	Less: Provision for doubtful debts	-	-
	Total trade receivables (non-current)	**-**	**-**
8	**OTHER NON-CURRENT FINANCIAL ASSETS**		
	Security deposits	31	67
	Fixed deposits with bank (with maturity period of more than 12 months)	8	45
	Total other non-current financial assets	**39**	**112**
9	**OTHER NON-CURRENT ASSETS**		
	Deferred rent expense for security deposit assets	7	5
	Other deposits	2	2
	Total other non-current assets	**9**	**7**

(₹ in lakhs)

	Particulars	As at March 31, 2021	As at March 31, 2020
10	**INVENTORIES**		
	Raw materials	1,470	1,875
	Packing materials	389	461
	Work-in-progress	113	136
	Finished goods**	1,145	1,262
	Stores and spare parts *	550	545
	Total inventories	**3,667**	**4,279**
	* includes Stock of samples and promotional items in the hands of sales representatives Rs NIL lakhs		
	**Closing stock of Finished goods includes samples amounting to Rs. 47 lakhs, which are not meant for sale.		
	Raw materials & Packing materials are valued at weighted Average method , WIP & Finished Goods at Standard Price and stores and spares at cost.		
11	**TRADE RECEIVABLES**		
	Trade receivables		
	(a) Considered good - Secured	-	-
	(b) Considered good - Unsecured	3,068	2,779
	(c) Trade Receivables which have significant increase in credit risk		
	(d) Trade Receivables - credit impaired	803	
	Less: Loss allowance		
	(a) Fair value loss	47	
	(b) Credit impaired	198	198
	Note-Trade Receivables includes Receivable from Viva Remedies (FZC) amounting to Rs 125.64 lakhs which is under sub judice since 16.12.2014		
	Includes one customer having outstanding of Rs.3.62 crores over three years for which no provision has been made. Management is of the opinion that, the dues are recoverables and hence no provision is made necessary.		
	* Confirmation of balance is awaited for Rs. 3,607 lakhs		
	Total trade receivables (current)	**3626**	**2,581**
12	**CASH & CASH EQUIVALENTS**		
	Cash in hand	1	4
	Balances with Banks		
	- Current Accounts	63	19
	Stamps in hand	0	0
	Total cash and cash equivalents	64	23
13	**OTHER BANK BALANCES**		
	Fixed deposits maturing within 3 - 12 months	58	41
	Total other bank balances	**58**	**41**
14	**OTHER CURRENT FINANCIAL ASSETS**		
	Security Deposits		
	Related Party	12	12
	Security deposits	172	79
	Total other current financial assets	**184**	**91**

(₹ in lakhs)

Particulars		As at March 31, 2021	As at March 31, 2020
15	**CURRENT TAX ASSETS (NET)**		
	Opening balance	22	67
	Less: Tax payable for the year	174	46
	Add: Taxes paid	93	1
	Add/(Less): Refund/adjustment for earlier years	-	-
	Closing balance	(59)	22
	MAT credit entitlement	25	19
	Total current tax assets (net)	**(34)**	**41**
16	**OTHER CURRENT ASSETS**		
	Prepaid expenses	95	92
	Deferred rent expense on security deposit given	5	7
	Recoverable from Statutory Authorities	156	297
	Advances to suppliers and others	205	200
	Total other current assets	**461**	**596**

17 EQUITY SHARE CAPITAL

	Particulars	As at March 31, 2021	As at March 31, 2020
	AUTHORISED		
	2,000,000 Equity Shares of INR 10 each	200	200
	(2020- 2,000,000)		
		200	**200**
	ISSUED, SUBSCRIBED & FULLY PAID		
	1,162,500 Equity Shares of INR 10 each	116	116
	(2020- 1,162,500)		
	Of the above 704,000 Equity Shares are issued by way of Bonus Shares by capitalisation of General Reserve,		
	1,29,000 Equity Shares of INR 10 each*	13	
	Further 129,000 Equity shares are issued by way of Preferancial Equity shares are capitalisation of General Reserve		
		129	**116**
	* during the year , company has issued equity shares of 1,29,000 to Ninaad Finance and properties Pvt Ltd at Rs 180 per share face value of Rs 10 per share with a security premium of Rs 170 per share by way of preferantial allotment on 10.11.2020. The share carrying voting rights. These share are ranking pari- passu with the old equity shares of the company.		
(i)	**Reconciliation of equity share capital**		

	Particulars	Number of shares
	As at April 1, 2018	**11,62,500**
	Change during the year	-
	As at March 31, 2019	**11,62,500**
	Change during the year	-
	As at March 31, 2020	**11,62,500**
	Change during the year	1,29,000
	As at March 31, 2021	**12,91,500**

(ii) Rights and preferences attached to equity shares :

The group 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 group is entitled to one vote per share held in the event of liquidation of the group, the equity shareholders will be entitled to receive remaining assets of the group 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.

(iii) Details of Shareholders holding more than 5 percent shares in the group :

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number of Shares	% holding	Number of Shares	% holding
(1) Abhay Kanoria Family Trust represented by Mr. Abhay Kanoria	7,02,205	54.37%	7,02,205	60.40%
(2) Ninaad Finance And Properties Pvt Ltd	1,29,000	9.99%		
(3) Life Insurance Corporation of India	90,000	6.97%	90,000	7.74%

18 OTHER EQUITY (₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) RESERVES AND SURPLUS		
CAPITAL RESERVE	43	43
SECURITIES PREMIUM RESERVE	289	70
GENERAL RESERVE	549	549
SURPLUS/(DEFICIT) IN STATEMENT OF PROFIT AND LOSS	599	(123)
	1,480	539
(b) OTHER RESERVES		
Fair Value through Other Comprehensive Income- Equity Instrument	(2)	(4)
Total other equity	**1,478**	**535**
(a) RESERVE AND SURPLUS		
(i) CAPITAL RESERVE		
Opening Balance	43	43
Adjustment during the year		
Closing Balance	43	43
(ii) SECURITIES PREMIUM RESERVE		
Opening Balance	70	70
Adjustment during the year	219	
Closing Balance	289	70
(iii) GENERAL RESERVE		
Opening Balance	549	549
Adjustment during the year		
Closing Balance	549	549
(iv) SURPLUS/ (DEFICIT) IN STATEMENT OF PROFIT AND LOSS		
Opening Balance	(123)	(385)
EFFECT OF IND AS 116	-	(49)
Earlier Year Effects Considered	-	18
Add: Profit /(Loss) during the year as per Statement of Profit & Loss	751	311
Other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(29)	(18)
Closing Balance	**599**	**(123)**
(b) OTHER RESERVE		
OTHER COMPREHENSIVE INCOME		
Opening Balance	(4)	2
Adjustments during the year		
- Remeasurements of quoted equity shares	2	(6)
Closing Balance	**(2)**	**(4)**

Nature and purpose of Reserves

(i) **Capital Reserve**

Capital Reserve represents the statutory reserve created by the group as per requirement of the Act. The same can be utilised by the group for issuing fully paid bonus shares.

(ii) **Securities premium reserve**

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

(iii) **General Reserve**

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

19 NON-CURRENT BORROWINGS

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Term Loans from Bank		
Secured		
Car finance loans from banks	23	9
Term Loans from Others (NBFC)		
JM Financial Products Limited	875	918
Inter Corporate Deposit		
Related Party	749	-
Others		
Total Non-current borrowings	**1,647**	**927**
Current maturities of long-term debt (included in note 25)	80	73
Current maturities of car finance loan (included in note 25)	6	18
Total		

PARTICULARS OF TERM BORROWINGS :

a) **Security**

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

(ii) Term loan from JM Financial Products Limited is secured at first ranking & exclusive charge by way of equitable mortgage on residential property of Sudarshan Services Ltd.

b) **Terms of repayment and Interest rate :**

(i) In respect of Vehicle loans repayments are done by equated monthly installments over 36 to 60 months.

(ii) The company has taken vehicle loan from AXIS Bank and YES Bank during the year which carry interest at the rate of 9.15 % & 7.60%, repayable in 60 equal installments. Repayment of the term loan will be completed in Spetember 2024 & January 2026 .

iii) Term Loan from JM Financial Products Limited carries interest at the rate of 10.50%, repayable in 126 equal monthly installments. Repayment will be completed in September 2028.

iv) During the last month of 2019 - 2020 an addittional facility of Rs 275 lakhs was availed from J M Financial Products Limited. Repayment will be completed in November 2030.

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

20 OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Security deposits	311	311
Total other non-current financial liabilities	**311**	**311**

21 Employee benefit obligations

(₹ in lakhs)

Particulars	As at March 31, 2021			As at March 31, 2020		
	Current	Non-current	Total	Current	Non-current	Total
Leave Encashment - Unfunded						
Present value of obligation	14	59	73	11	55	66
Gratuity - Funded						
Present value of obligation	355		355	311		311
Fair value of plan assets	264		264	216		216
Net Liability	91		91	95		95
Gratuity Liability	**44**	**47**	**91**	**35**	**60**	**95**
Total employee benefit obligations	**58**	**106**	**164**	**46**	**115**	**161**

(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.

The group has recognised the following amounts in the Statement of Profit & Loss for defined contribution plan.

(₹ in lakhs)

Particulars	March 31, 2021	March 31, 2020
a) Supperannuation Fund	11	10
b) Provident Fund	131	107

(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:

(₹ in lakhs)

Particulars	Gratuity			Leave Encashment
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation
April 1, 2018	**241**	**201**	**40**	**72**
Current service cost	23		23	18
Prior Service cost	37		37	-
Interest expense/(income)	18	15	3	5
Total amount recognised in profit or loss	**78**	**15**	**63**	**23**
Remeasurements				
Loss due to experience	(23)	-	(23)	(13)
Loss due to change in financial assumptions	-	-	-	(1)
Return on plan assets (greater)/less than discount rate	-	-	-	-
Total amount recognised in other comprehensive income	**(23)**	**-**	**(23)**	**(14)**
Employer contributions	-	-	-	
Benefit payments	-	-	-	13
March 31, 2019	**296**	**216**	**80**	**68**
April 1, 2019	296	216	80	68
Current service cost	23		23	10
Prior Service cost	-			
Interest expense/(income)	19	15	4	4
Total amount recognised in profit or loss	**42**	**15**	**27**	**14**
Remeasurements				
Loss due to experience	31	-	31	(5)
Loss due to change in financial assumptions	-	-	-	1
Return on plan assets (greater)/less than discount rate	-	-	-	-
Total amount recognised in other comprehensive income	**31**	**-**	**31**	**(4)**
Employer contributions	-	-		-
Benefit payments	-	-		4
March 31, 2020	**369**	**231**	**138**	**74**
April 1, 2020	**369**	**231**	**138**	**74**
Current service cost	28		28	8
Prior Service cost	-			
Interest expense/(income)	21	16	5	4
Total amount recognised in profit or loss	**49**	**15**	**33**	**12**
Remeasurements				
Loss due to experience	23	-	23	12
Loss due to change in financial assumptions	-	-	-	(1)
Return on plan assets (greater)/less than discount rate	-	-	-	-
Total amount recognised in other comprehensive income	**23**	**-**	**23**	**11**
Employer contributions	-	-		-
Benefit payments	-	-		4
March 31, 2021	**441**	**246**	**195**	**86**

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

(₹ in lakhs)

Particulars	March 31, 2021	March 31, 2020
Present value of funded obligations	441	369
Fair value of plan assets	246	231
Deficit of funded plan	**195**	**138**
Unfunded plans	66	74
Deficit of Employee Benefit Plans	**261**	**212**

(iv) Post-Employment benefits

The significant actuarial assumptions were as follows:

Particulars	March 31, 2021	March 31, 2020
Discount rate	7.09%	7.75%
Salary growth rate	5.00%	5.00%
Expected return on assets	7.09%	7.75%
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Withdrawal rate	5.00%	5.00%

(v) Sensitivity analysis

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

(₹ in lakhs)

Particulars	Change in assumption		Impact on defined benefit obligation			
			Increase by 1%		Decrease by 1%	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2021
Gratuity						
Discount rate	1%	1%	(21)	(22)	23	26
Salary growth rate"	1%	1%	21	23	(19)	(21)
Withdrawal rate	1%	1%	3	3	(3)	(3)
Leave Encashment						
Discount rate	1%	1%	(6)	(5)	7	6
Salary growth rate"	1%	1%	7	5	(6)	(5)
Withdrawal rate	1%	1%	1	(1)	(1)	(1)

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

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

Particulars	March 31, 2021		March 31, 2020	
	Amount in lakhs	in %	Amount in lakhs	in %
Investment funds with Kotak Gratuity Group Plan (UNI-107L010V05)	246	100%	216	100%
Total	**246**	**100%**	**216**	**100%**

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

(vii) Risk exposure

The defined benefit obligations have the undermentioned risk exposures :

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

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

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

(viii) Defined benefit liability and employer contributions

Expected contribution to post employment benefit plan for the year ending March 31, 2021 is 44 lakhs (Year ended 31.03.20 Rs.35 lakhs)

The weighted avarage duration of the defined benefit obligation is 12.25 years (March 31, 2020 - 13.98 years) in case of Gratuity and 12.25years (March 31, 2020 - 13.98 years) in case of Leave encashment in all the three years. The expected maturity analysis of undiscounted gratuity and leave encashment is as follows :

(₹ in lakhs)

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, 2021							
Gratuity	18	24	26	32	23	500	623
Leave encashment	4	3	5	4	6	140	162
Total	**22**	**27**	**31**	**36**	**29**	**640**	**785**
March 31, 2020							
Gratuity	12	9	17	20	26	518	602
Leave encashment	4	3	5	4	6	140	162
Total	**16**	**12**	**22**	**24**	**32**	**658**	**764**

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
22 DEFERRED TAX LIABILITIES - NET		
Deferred Tax Liabilities on account of :		
Depreciation	36	163
Provision for Bonus	19	
Provision for Gratuity	5	
Provision for leave encashment	7	
Provision for doutbful debts	20	
Total deferred tax liabilities (A)	**87**	**163**
Deferred Tax Assets on account of :		
Accrued expenses deductible on payment	-	1
Leave encashment and gratuity	-	4
Provision for debts, advances and investments	-	5
MAT Credit entitlement	(49)	
Unabsorbed depreciation and carried forward business loss	-	320
Less: Deferred Tax Assets not recognised	-	167
Total deferred tax assets (B)	**(49)**	**163**
Deferred Tax (Assets)/Liabilities (Net - A-B)	**38**	**-**

Movement in deferred tax liabilities

Particulars	Depreciation	Provision for Debts, Advances and Investments	Fair Valuation of Equity Investment	Liability for gratuity and leave encashment	Unabsorbed depeciation and carried forward business loss	Bonus	Total
As at April 1, 2018	210	-	-	-			210
Charged/(Credited):							
- to profit and loss	(18)	-	-	-			(18)
- to other comprehensive income	-	-	-	-			-
As at March 31, 2019	**192**	**-**	**-**				**192**
As at April 1, 2020	**192**	**-**	**-**	**-**			**192**
Charged/(Credited):							
- to profit and loss	(29)						(29)
- to other comprehensive income							
As at March 31, 2020	**163**	**-**	**-**	**-**			**163**
As at April 1, 2020	**-**	**-**	**-**	**-**			**-**
Charged/(Credited):							
- to profit and loss	(36)	(20)		(12)		(19)	(87)
- to other comprehensive income							
As at March 31, 2021	**(36)**	**(20)**	**-**	**(12)**			**(87)**

Movement in deferred tax assets

Particulars	Statutory Expenses claimable on payment	Provision for Debts, Advances and Investments	MAT Credit entitlement	Liability for gratuity and leave encashment	Unabsorbed depeciation and carried forward business loss	Deferred Tax assets not recognised	Total
As at April 1, 2018	2	39	-	3	360	194	210
(Charged)/Credited:							
- t0 profit and loss	3	(23)	-	10	23	31	(18)
- to other comprehensive income	-	-	-	-	-	-	-
As at March 31, 2019	**5**	**16**	**-**	**13**	**383**	**225**	**192**
(Charged)/Credited:							
- to profit and loss	(4)	(11)		(9)	(63)	(58)	(29)
- to other comprehensive income							
As at March 31, 2020	**1**	**5**	**-**	**4**	**320**	**167**	**163**
(Charged)/Credited:							
- to profit and loss	-	-	46	-	-	-	46
- to other comprehensive income							
As at March 31, 2021	**-**	**-**	**46**	**-**	**-**	**-**	**46**

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
23 CURRENT BORROWINGS		
SECURED		
Cash Credit from Banks		
HDFC Bank	769	374
YES Bank	972	640
Short term loan from others		
Working Capital Loan from		
National Small Industries Corporation Ltd	143	137
UNSECURED		
Inter Corporate Deposit		
Related Party	440	655
Others	-	1,267
Total Current borrowing	**2,324**	**3,073**

PARTICULARS OF BORROWINGS :

a) Security

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

(ii) Working capital loan from National Small Industries Corporation Ltd is secured by bank guarantee.

b) Terms of repayment and Interest rate :

(i) Cash Credit from HDFC Bank and YES Bank carry interest at the rate of 12.15% and 10.30% respectively.

(ii) Working Capital Loan from National Small Industries Corporation Ltd carries interest at the rate of 9%.

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

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 20
24 TRADE PAYABLES		
Trade payables	2,256	2,865
Total trade payables	**2,256**	**2,865**
Classification as required by MSME Act		
Total outstanding dues of Micro Enterprises and Small Enterprises*	135	33
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2,121	2,832
Total trade payables	**2,256**	**2,865**
* 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. Total interest on MSME dues paid after the appointed day as per MSME Act, 2006 is Rs.179,610 for the year 2020-21. The company has not provided interest for the dues outstanding for the specified period of few parties since such cases are under dispute. Also confirmation of balance is awaited from those parties.		
25 OTHER CURRENT FINANCIAL LIABILITIES		
Current maturities of long term debt	80	73
Current maturities of car loan	6	18
Unclaimed dividend	-	1
Security deposits	13	13
Others:		
- Other payables	149	522
Total current financial liabilities	**248**	**627**
26 OTHER CURRENT LIABILITIES		
Advance from customers	102	30
Statutory and other dues	113	41
Liabilities related to employees	164	104
Other liabilities	327	268
Defered Lease Liability IND AS 116	99	209
Others-Refund Contract Liability	43	41
Total other current liabilities	**847**	**693**

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
27 REVENUE FROM OPERATIONS		
a) Sale of products (including excise duty)		
Pharmaceutical / fabrics	15,332	12,959
b) Other operating income		
Sale of scrap	6	8
Excise duty recovered on operating income	14	22
Conversion charges/income from job work	14	19
Miscellaneous - operating income	0	0
Commission received	12	10
Export duty credit/duty drawback		
Total revenue from operations	**15,378**	**13,018**

(₹ in lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
28. OTHER INCOME		
Interest income	7	8
Interest on others	9	7
Provisions/ Liabilities written back	77	98
Insurance claim local	4	1
Miscellaneous income -non operating	2	15
DEPB Transfer/Duty Drawback	2	
Profit on sale of assets (net)	0	
Foreign Exchange Gain	-	26
Total other income	**102**	**155**
29. COST OF MATERIALS CONSUMED		
a) Raw Material Consumed		
Opening Stock	1875	1,464
Purchases	2500	2,923
	4375	**4,387**
Less : Sales	90	-
Less : Closing Stock	1470	1,875
Raw Material Consumed	**2,815**	**2,512**
b) Packing Material Consumed		
Opening Stock	461	444
Purchases	559	718
	1,020	**1,162**
Less: Sales	-	-
Less : Closing Stock	389	461
Packing Material Consumed	**631**	**701**
Total Cost of material consumed	**3,446**	**3,213**
30. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE		
Opening Inventories of :		
Finished Goods	1,262	1,343
Work in Progress	136	124
	1,398	**1,467**
Closing Inventories of :		
Finished Goods	1145	1,262
Work in Progress	113	136
	1,258	**1,398**
Total changes in inventories of finished goods, work in progress and stock-in-trade	**140**	**69**
31. EMPLOYEE BENEFITS EXPENSES		
Salaries & wages	2389	2,146
Contribution to provident and other Funds	180	124
Staff welfare expenses	153	147
Total employee benefits expense	**2722**	**2,417**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
32. FINANCE COSTS		
Interest Expense		
on borrowing from banks and others	505	588
IND As 116 - Finance Cost	24	29
Other Borrowing Costs		
Loan Processing Charges	-	0
Total finance costs	**529**	**617**
33 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of property, plant and equipment	148	155
Amortisation of intangible assets	1	1
Amortisation (IND AS 116)	97	98
Total depreciation and amortisation expense	**246**	**254**
34 OTHER EXPENSES		
(a) Operating, administrative & other expenses		
Consumptiom of stores and spares	49	56
Rent	39	46
Rates & taxes	17	24
Sales tax	34	40
Excise duty		
Repairs & maintenance		
Building	12	5
Plant & machinery	80	87
Others	46	44
Insurance charges	13	10
Electricity & water	16	23
Factory power & fuel	143	158
Job-work charges- manufacturing service charges	44	58
Tour & travelling expenses	830	824
Vehicle running & maintenance	56	50
Conveyance expenses	7	28
Legal & professional fee	106	109
Membership fee & subscription	51	28
Office & general expenses	96	91
Postage and telegram	10	10
Bank charges	22	24
Printing & stationary	35	12
Charity & donations	1	
Foreign exchange rate fluctuation on expenses	4	5
Security expenses	42	40
Telephone & telex charges	26	29
Laboratory expenses	42	4
Directors fee	4	3
Trade marks	13	12
Loss on sale of assets	0	0
Auditors remuneration [refer note 34(a)]	16	16
(b) Selling & distribution expenses		
Selling expenses	42	51
Advertisement & publicity	2	1
Business promotion expenses	800	880
Bad debt written off	30	15
Provision for doubtful debts	40	

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Clearing, forwarding & freight	181	166
Rebates & discount allowed	323	196
Insurance expenses- goods-in-transit	3	4
Handling expenses	3	4
Clearing & forwarding agents commission	370	333
Total other expenses	**3,650**	**3,486**
(a) Details of Auditors' remuneration	**7**	**7**
Audit fee	1	1
Tax audit fee	8	8
For other services such as certification	16	16
Total auditors remuneration	**16**	**10**

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
35 TAX EXPENSE		
(a) Current tax		
Tax on profits for the year	174	55
Adjustments for prior periods	-	-
Total income tax	**174**	**55**
(b) Deferred tax		
Decrease (increase) in deferred tax assets	(49)	29
(Decrease) increase in deferred tax liabilities	87	(29)
	38	-
Less : Recognised in OCI	-	-
Total deferred tax expense/(benefit)	**38**	**-**
Total tax expense	**212**	**55**
Tax on other comprehensive income	5	9
Total income tax / deferred tax	**217**	**64**

36 FAIR VALUE MEASUREMENTS

Financial instruments by category (₹ in lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	FVOCI	Amortised cost	FVOCI	Amortised cost
Financial assets				
Investments				
- Equity instruments	8		5	
Fixed Deposits		8		45
Trade Receivables		3,626		2,594
Cash and cash equivalents		63		22
Other Bank Balance		50		41
Security deposits		223		158
Total financial assets	**8**	**3970**	**5**	**2,860**
Financial liabilities				
Borrowings		3,971		4,000
Security deposits		311		324
Trade payables		2,266		2,850
Unclaimed Dividend		-		1
Others		412		616
Total financial liabilities	**-**	**6,960**	**-**	**7,790**

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

Particulars	As at March 31, 2021	As at March 31, 2020
	Level 1	Level 1
Financial Assets at FVOCI		
Investment in equity shares		
Industrial Development Bank of India Limited	2	1
Vijaya Bank	6	4
Total financial assets at FVOCI	**8**	**5**

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group 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 group 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.

37 Financial risk management

The group'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 group is exposed to and how the group manages the risk :

The group's risk management is carried out by a treasury department under policies approved by the Board of Directors, group Treasury identifies, evaluates and hedges financial risks in close co-operation with the group'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 group 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 group's functional currency.

The exposure of the group to foreign currency risk is not significant. The position of foreign currency exposure to the group as at the end of the year expressed in INR are as follows :

Currency	Receivables	Payables
March 31, 2021		
US Dollar (USD)	**2.00**	
Net exposure to foreign currency risk	**2.00**	
March 31, 2020		
US Dollar (USD)	**1.50**	-
Net exposure to foreign currency risk	**1.50**	**-**

Sensitivity

If INR is depreciated or appreciated by 5% vis-a-vis foreign currency, the impact thereof on the profit and loss of the group are given below:

Particulars	Impact on profit after tax	
	March 31, 2021	March 31, 2020
USD sensitivity		
INR/USD Increases by 5% (March 31, 2020 - 5%)	20	24
INR/USD Decreases by 5% (March 31, 2020 - 5%)	(20)	(24)
Holding all other variables constant		

(ii) Interest rate risk

The exposure of the group'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:

(₹ in lakhs)

Particulars	March 31, 2021	March 31, 2020
Variable rate borrowings	1,741	1,014
Fixed rate borrowings	2,316	3,077
Total borrowings	**4,057**	4,091

As at the end of the reporting period, the group had the following variable rate borrowings outstanding:

Particulars	Weighted average interest rate	Balance	% of total loans
March 31, 2021			
Bank overdrafts, bank loans, Cash credit	**12.17**	**1,741**	**42%**
March 31, 2020			
Bank overdrafts, bank loans, Cash credit	**12.16**	**1,014**	**25%**

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit after tax	
	March 31, 2021	March 31, 2020
Interest rates – increase by 50 basis points (50 bps)	9	5
Interest rates – decrease by 50 basis points (50 bps)	(9)	(5)

(iii) Price risk

The group's exposure to equity securities price risk arises from investments held by the group in equity securities and classified in the balance sheet as at fair value through profit or loss. However, group does not have a practice of investing in market equity securities with a view to earn fair value changes gain. As per the group policies, whenever any investment is made by the group in equity securities, the same is made either with some strategic objective or as a part of contractual arrangement. Further, at the reporting date group does not hold material value of quoted securities. Accordingly, group 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 group.

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 group has an ongoing credit evaluation process in respect of customers who are allowed credit period. In respect of walk-in customers the group 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 case to case basis.

(ii) Reconciliation of loss allowance provision – Trade receivables

Particulars	(₹ in lakhs)
Loss allowance on April 1, 2018	**126**
Changes in loss allowance	52
Loss allowance on March 31, 2019	**178**
Changes in loss allowance	20
Loss allowance on March 31, 2020	**198**
Changes in loss allowance	47
Loss allowance on March 31, 2021	**245**

(B) Liquidity risk

The group 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:

Particulars	March 31, 2021	March 31, 2020
Floating rate		
Cash credit/WCTL facility	892	793

The bank overdraft and cash credit facilities may be drawn at any time and may be terminated by the bank without notice.

(ii) Maturities of financial liabilities

The table below analyses the group's all non-derivative financial liabilities into relevant maturity based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturities of financial liabilities: (₹ in lakhs)

Particulars	Not later than 1 year	Between 1 and 5 years	Later than 5 years	Total
Non-derivatives				
March 31, 2021				
Borrowings	3073	385	513	3971
Trade payables	2256			2256
Security deposits			311	311
Other financial liabilities	162			162
Total non-derivative liabilities	**5,491**	**385**	**824**	**6,701**
March 31, 2020				
Borrowings	3,163	414	513	4,090
Trade payables	2,850	-	-	2,850
Security deposits	-	-	311	311
Other financial liabilities	535	-	-	535
Total non-derivative liabilities	**6,548**	**414**	**824**	**7,786**

38 Capital management

(a) Risk management

The group'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 group 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 group monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

The gearing ratios of the group are as follows:

Particulars	March 31, 2021	March 31, 2020
Net debt (net of cash and cash equivalents)	3,971	4,093
Total equity	**702**	**702**
Net debt to equity ratio	**566%**	**583%**

39 RELATED PARTY TRANSACTIONS

(a)	**List of Related Parties**
	A. Key Management Personnel of the company and close member of Key Management Personnel of the company
1	Mr. Abhay Kanoria
2	Mr. Uddhav Kanoria
3	Mr. N Ahmedali
4	Ms.Neha Rajen Gada
5	Mr. Nirbhay Kanoria
6	Mr. Sanatkumar Shirali
7	Mr. Shashikant N More
8	Dr.Rajeshwar B Smarta
9	Mr. Rakesh P Kanyadi
10	Mrs.Pallavi Kanoria (Wife of Mr Abhay Kanoria)
11	Mr.Harshwardhan Murarka
12	Mrs. Deepa Ramachandran

B. Subsidiaries

i) Anglo-French Drugs & Industries PTE Ltd

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

i) The Anglo-French Drug Co. ESTN Ltd Employee`s Gratuity Fund

ii) Group Supperannuation Scheme under LIC of India

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

1 Aakruti Investments Ltd.

2 Abhay Kanoria Family Trust

3 Broach Textile Mills Ltd.

4 Ekta Tie-up Pvt. Ltd.

5 GBK Charitable Trust

6 Radha Kesari Spinning Mills Ltd.

7 Sudarshan Exports Ltd.

8 Sudarshan Services Ltd.

9 Ninand finance & Properties Pvt Ltd

(b) Transactions with Related Parties for the year ended March 31, 2021

(₹ in Lakhs)

Nature of Transactions	Subsidiaries		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	
	2021	2020	2021	2020	2021	2020	2021	2020
EXPENSES:								
i) Rent paid								
Sudarshan Services Ltd.								
Mr. Abhay Kanoria					11	11		
Mrs. Pallavi Kanoria					11	11		
ii) Receiving of Services – Administrative, Commercial & Accounting service								
Sudarshan Services Ltd.			-	-				
iii) Interest Paid								
Sudarshan Services Ltd	-		76	72				
Ninand finance & Properties Pvt Ltd			106					
iv) Remuneration Paid								
Mr. Abhay Kanoria			-		70	49		
Mr. Uddhav Kanoria			-		52	42		
Mr. Nirbhay Kanoria			-		40	32		
Mrs. Pallavi Kanoria			-		29	18		
Mr. Kushal Jain			-			0.68		
Mr. Harshwardhan Murarka			-		14	11		
Ms. Deepa Ramachandran			-		9	5		
Mr. Rakesh P Kanyadi			-		22	13		

(₹ in Lakhs)

Nature of Transactions	Subsidiaries		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	
	2021	2020	2021	2020	2021	2020	2021	2020
v) Director`s sitting fees								
Mr. Sanatkumar Shirali					0.80	0.60		
Ms. Neha Rajen Gada					1.10	0.40		
Mr. N Ahmedali					1.40	1.30		
Mr. Shahikanth More					0.40	0.30		
Dr. Rajeshwar Bhaskar Smarta					0.60	0.60		
INCOME:								
i) Sale of Pharmaceutical produsts								
Anglo-French Drugs & Industries Pte Ltd	**130**	**40**						
OTHER RECEIPTS:								
i) Inter Corporate Deposit Received								
Sudarshan Services Ltd			-	-	-	-		
Contribution of Gratuity Fund								
The Anglo-French Drug Co. ESTN Ltd Employee`s Gratuity Fund							60	32
Group Supperannuation Scheme under LIC of India								
Refund of Gratuity								
The Anglo-French Drug Co. ESTN Ltd Employee`s Gratuity Fund							**27**	**35**

(c) Outstanding Balances as on March 31, 2021

Nature of Transactions	Subsidiaries		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	
	2021	2020	2021	2020	2021	2020	2021	2020
PAYABLES :								
i) For Goods & Services								
Sudarshan Services Ltd	-	-	-	-				
ii) Inter Corporate Deposit								
Sudarshan Services Ltd			749	655				
Ninand finance & Properties Pvt Ltd			440					
LOANS & ADVANCES AND RECEIVABLES :								
iii) For Goods & Services								
Anglo-French Drugs & Industries Pte Ltd	100	43						
iv) Security Deposit								
Mr. Abhay Kanoria			12	12				

40. Contingent liabilities

The group had contingent liabilities at March 31, 2021 in respect of:

(a) Claims against the group pending appellate/judicial decisions not acknowledged as debts : (₹ in lakhs)

Particulars	March 31, 2021	March 31, 2020
a) Value Added Tax/Sales Tax	148	148
b) Service Tax/ Excise Duty	116	116
c) TDS demand (Traces)	18	18

a. The Management believes that the outcome of the above will not have any material adverse effect on the financial position of the company.

b. The Company does not expect any reimbursements in respect of the above contingent liabilities.

c. The assessed tax liability is ₹ 148 lakhs towards Value added tax / sales tax and Rs.116 lakhs towards service tax are under dispute as at March 31, 2021 based on the favourable decision of the Appellate Authorities and the interpretation of the other relevant provisions, the Company has been advised that the demand raised by the Department may not crystallise into a potential obligation. Accordingly, no provision is considered necessary.

d. TDS demand is due to errors in filling the TDS returns, which are being revised. On revision, the liability is likely to get adjusted and hence no provision has been made

e. It is not practicable to estimate the timing of cash outflows, if any, in respect of matters above pending resolution of the arbitration / appellate proceedings. Further, the liability above excludes interest and penalty in cases where the company has determined that the possibility of such levy is remote.

(b) Guarantees :

i. Counter guarantees issued to banks and remaining outstanding INR 469.61 lakhs (2020 - INR 483 lakhs).

ii. Letter of credit opened and remaining outstanding INR 27 .84 lakhs (2020 - INR 18 lakhs).

c) Capital commitments : Nil

41. Leases

Applicability of Ind AS 116 – As a lessee

Ind AS 116 on “Leases” is mandatory for reporting periods beginning on or after 1st April, 2019 as notified by the Ministry of Corporate Affairs (MCA) vide Companies (Indian Accounting Standards) Rules, 2015 as amended, replacing the existing lease rental recognition criteria. The application of Ind AS 116 has impacted the company’s accounting for recognition of leases payments.

Under this standard, amortisation cost and Finance cost has increased by Rs 100.15 lakhs and Rs 19.93 lakhs respectively and corresponding rent has decreased by Rs 123.97 lakhs. Application of this standard resulted in increased of profit amounting to Rs. 3.89 lacs. The single accounting model introduced by Ind AS 116 recognises a right-of-use asset amounting to Rs 268.34 lakhs representing its right to use the underlying assets and a lease liability of the equivalent amount representing its obligation to make lease payments.

The 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 to the tune of Rs 49.49 lakhs.

The following are the leasing arrangements entered into by the Company which has been considered for IND AS 116.

Sr. No	Location	Name of Land Lord	Period		Deposit	Rent P.M.	Rent for One Year
			From	To			
1	Corporate Office	Rathna Shivarudrappa	01.04.2014	31.03.2016	16,50,000	1,40,000	16,80,000
			01.04.2016	31.03.2018		1,65,000	19,80,000
			01.04.2018	31.03.2021		1,90,000	22,80,000
2	Guest House-Pebble Bay	Amod Vig	01.09.2017	31.08.2018	15,00,000	1,60,000	19,20,000
			01.09.2018	31.08.2019		1,68,000	20,16,000
			01.09.2019	31.08.2020		1,76,400	21,16,800
			01.09.2020	31.08.2021		1,85,220	22,22,640
			01.09.2021	31.08.2022		1,94,480	23,33,760
3	Mumbai Office	The Phoenix Mills Limited	18.12.2016	17.12.2021	45,80,180	7,78,363	4,67,01,780

42 (a) **Details of Raw Materials Consumed**

Description	Units	Current Year		Previous Year	
		Quantity	Amount	Quantity	Amount
PHARMACEUTICALS					
Calcium D Pantohenate IP	Kgs	3,748	165	3,510	100
Ascoric Acid	Kgs	66,133	419	56,135	291
Miscellaneous			2,231	-	2,122
(None individually account for more than 10%					
of total consumption)					
			2,815		**2,512**

(b) **Value of Raw Materials Stores and Spare Parts consumed:** (₹ in Lakhs)

Description	Current Year		Previous Year		
	Amount	%	Amount	%	
a) Raw Materials:					
Imported		-	-	-	-
Indigenous		**2,815**	**100**	**2,512**	**100**
		2,815	**100**	**2,512**	**100**
b) Stores and Spare Parts					
Imported		-	-	-	-
Indigenous		15	100	36	100
		15	**100**	**36**	**100**

(c) **Purchase of Stock -in-Trade** (₹ in Lakhs)

Description	Units	Current Year		Previous Year	
		Quantity	Amount	Quantity	Amount
Formulations:					
a) Tablets	Million	256	1,988	204	997
b) Liquids	Bottles	80,67,729	947	64,06,487	646
c) Injections	Litres	13,466	289	1,36,401	179
d) Capsules	Million	55	560	48	381
e) Granules	Kgs	4,582	8	1,632	2
f) Powder	Kgs	2,41,323	247	97,473	84
g) Ointment	Kgs	55,664	356	45,150	269
h) Others	Nos.	10,75,440	66	7,37,874	37
			4,461		**2,595**

(d) **Value of Imports on CIF basis**

Description	Current Year		Previous Year	
	USD	Rs. In lakhs	USD	Rs. In lakhs
i) Raw Materials	-	-		-
ii) Components and Spare Parts	-	-		-
Expenditure in Foreign Currency	90,774	68	1,21,419	79
F.O.B Value of Exports	-	-		
In Foreign Currency	**11,96,272**	**883**	**10,32,691**	**724**

43 Company's investments in 100% subsidiary' 'Anglo-French Drugs & Industries PTE. Limited Singapore (AFDIPL)' amounting Rs 24 lakhs is long term in nature and which has been provided in the books on the date of transition to Ind AS. Though AFDIPL has incurred a net profit of Rs 42 lakhs during the year ended 31st March, 2021 but it has incurred losses for the past year and has accumulated negative reserves to the tune of Rs 18 lakhs as on 31st March, 2021 and, as of that date, AFDIPL current assets exceeded its current liabilities by Rs 13 lakhs and its total assets exceeded its total liabilities by Rs 6 lakhs . These factors raise substantial doubt that the said subsidiary Company will be able to continue as a going concern. However, as per management projections no adjustment is necessary for impairing the carrying cost of Trade Receivables amounting Rs.100 lacs which is outstanding as an 31st March, 2021.

In addition, if the AFDIPL were unable to contine in operational existence for the foreseeable future, the AFDIPL may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to the financial statements of AFDIPL as on 31st March, 2021.

44 Operating Segment

The Holding Company has only one reportable segment i.e. pharmaceticals (₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Information about Geographical Areas:		
Revenue from customers		
In India	14,671	12,312
Outside India	688	688
Non-current assets		
In India	1,417	1,655
Outside India	-	-
Information about major customers		
Consolidated Revenue-exceeding 10% from each single customer		NIL

45 Earnings per Share

Particulars	March 31, 2021	March 31, 2020
(a) Basic earnings per share	61.94	26.72
(b) Diluted earnings per share	61.94	26.72

Particulars	March 31, 2021	March 31, 2020
(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:	751	311
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	751	311

Particulars	March 31, 2021	March 31, 2020
	Number of shares	Number of shares
(d) Weighted average number of shares used as the denominator		
No of equity shares oustanding as at the beginning of the year	11,62,500	11,62,500
No of equity shares oustanding as at the end of the year	12,91,500	11,62,500
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	12,12,687	11,62,500
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	12,12,687	11,62,500

46 Research and Development Expenses

For the period ended	March 31, 2021	March 31, 2020
Material Consumption	6	5
Labortary consumption	7	9
Employee Benefits Expense	17	18
Others	1	1
	31	**33**

47 Revenue Recognition as per Ind AS 115

i The Group derives revenues primarily from sale of pharmaceutical products and scrap from its contracts with customers. The revenues have been disclosed in Note No.27 "Revenue from Operations

ii The disaggregation of revenues is as under: (₹ in lakhs)

Nature	March 31, 2021	March 31, 2020
Revenue from contracts with customers		
Revenues from sale of goods	15,332	12,954
Revenues from sale of scrap	6	8
(Other operating income)		
	15,338	12,962

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

Nature	March 31, 2021		March 31, 2020	
	Domestic	Exports (including Deemed Exports)	Domestic	Exports (including Deemed Exports)
Revenue from contracts with customers				
Revenues from sale of goods	13,916	1,416	11,601	1,353
Revenues from sale of scrap	6		8	-
(Other operating income)				
	13,922	**1,416**	**11,609**	**1,353**

iv) The movement in Company's receivables, contract assets and contract liabilities are as under:

(₹ in Lakhs)

Nature	Contract Asset	Contract Liabilities
Balance as at the beginning of the year	40	81
Additions	43	85
Adjustments	(40)	(81)
Balance as at the end of the year	43	85

v The revenue from contracts with customers for the year includes variable consideration (discounts & rebates) of Rs. 36 lakhs, which has been deducted from the transaction price. The group uses expected value method in measuring the variable consideration. There were no constraints in estimating variable consideration.

vi The revenue from contracts with customers for the year also include the impact of customers' right to return the goods of Rs. 85 lakhs. The same has been deducted from the transaction price. The corresponding cost of materials to be returned to the group amounting to Rs 43 lakhs has been adjusted with cost of consumption.The corresponding refund liability and right to recover an asset have been recognised in the financial statements.

48 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 & Mar21. Management has carried out procedures to validate the existence of its inventory to determine the quantities and value of the inventory at the balance sheet date.

c) Trade Receivable :

The collectibility of receivables is assessed on an on going basis. An allowance for doubtful debts is made for any account considered to be doubtful of collection and also .

Allowance for doubtful debts is made based on a review of all outstanding accounts as at the balance sheet date. A considerable amount of judgement and estimate is required in assessing the ultimate realisation of these receivables, including the creditworthiness, the past collection history of each customer and subsequent collection up to date of report. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

d) Impairment of Trade Receivable:

The impairment provision for financial assets is based on the assumption about risk of default and expected loss rates. The Company uses judgments in making these assumptions and selecting the input impairment calculation based on the Company past history as well as forward looking assumptions at the end of each reporting period.

e) Defined Benefit Obligation:

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by themanagement. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 21, 'Employee benefits'

f) Fair value measurement :

Fair value measurement of financial instruments When the fair values of financials assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

g) Current Tax :

The computation of advance taxes, provision for current/deferred tax are made based on significant judgments and which may get revised pursuant to position taken by the tax authorities.

h) Provision and Contingent Liabilities :

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities (see note 40 to the standalone 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.

49 Adoption of FRS 109 Financial Instruments

The financial statements of the subsidiary of the company, Anglo-French Drugs & Industries PTE LTD., have been drawn up in accordance with Singapore Financial Reporting Standards(SFRS)

The subsidiary company has applied FRS 109 wef 01.04.2018 as a result of which an allowance of USD 28357 equivalent to Rs. 19,61,495 , has been created against Trade Receivables appearing as on 01.04.2018. Therefore an adjustment of Rs 20 lakhs has been done from Retained Earnings as on 01.04.2018 to give effect of the allowance made against Trade Receivables.

The balance of Surplus/Defecit in Consolidated Statement of Profit & Loss as on 01.04.2018 has been reinstated from (317 lakhs) to (337 lakhs) to give effect of 20 lakhs of allowance against Trade Receivables on the date of initial application i.e. 01.04.2018.(Note 18(iv))

50 Interests in other entity

Subsidiary

The group's subsidiary as at March 31, 2021 is set out below. Unless otherwise stated, it has share capital consisting solely of equity shares that are held directly by the group, and the ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business / Country of Incorporation	Ownership interest held by the group		Principal activities
		As at March 31, 2021	As at March 31, 2020	
Anglo-French Drugs & Industries Pte. Ltd.	Singapore	100	100	Trading in pharmaceutical products

The financial statements of the subsidiary are presented in United States Dollar(USD),which is its functional currency.

For the purpose of consolidation, the financial statements are converted into INR from USD.

51 Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

Information in respect of subsidiary with amounts in lakhs

1	Sr. No.	1
2	Name of the subsidiary	Anglo-French Drugs & Industries Pte. Ltd.
3	Date on which subsidiary was acquired	5th April, 2013
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	US$ (INR 73.50/US$)
6	Share capital	25
7	Reserves & surplus	(18)
8	Total assets	127
9	Total Liabilities	121
10	Investments	
11	Turnover	182
12	Profit before taxation	42
13	Provision for taxation	-
14	Profit after taxation	42
15	Proposed Dividend	
16	% of shareholding	100%

1. Names of subsidiaries which are yet to commence operations : None
2. Names of subsidiaries which have been liquidated or sold during the year : None

52 Additional information as required under Shedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiary

(₹ in lakhs)

Name of the entity	Net Assets, i.e. total assets minus total liablities		Share in Profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
1	2	3	4	5	6	7	8	9
Parent								
Anglo-French Drugs & Industries Ltd	99.64%	1,601	94.28%	708	100.00%	(28)	94.05%	680
Subsidaries								
Indian	-	-	-	-	-	-	-	-
Foreign								
Anglo-French Drugs & Industries Pte. Ltd.	0.36%	6	5.72%	43	0.00%	-	5.95%	43

53 Significant Events after the reporting year - There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

54 The previous year figures have been regrouped/rearranged wherever necessary to make it comparable with the current year.

Anglo-French Drugs & Industries Ltd.

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