

BOARD OF DIRECTORS

SHRI ABHAY KANORIA, Chairman & Managing Director

SHRI U.G PATEL

SHRI V. B. HARIBHAKTI

SHRI UDDHAV KANORIA - Whole - time Director

SHRI SANAT SHIRALI

SHRI N. AHMEDALI

SHRI RAJESH A SHARMA - Whole - time Director

SHRI SUJAY BANARJI

REGISTERED OFFICE

No. 41, 3rd Cross, V Block

Rajajinagar

Bangalore - 560 010

Karnataka.

AUDITORS

RAY & RAY

Chartered Accountants

MANUFACTURING PLANTS

PHARMACEUTICALS

Plot No. 4, Peenya Industrial Area

Phase II, Peenya

Bangalore - 560 058

Karnataka.

BANKERS

AXIS BANK

HDFC BANK

FURNISHING FABRICS

Kharchi - Bilwara

Taluk Jhagadia

District Bharuch

Gujarat.

REGISTRARS & SHARE TRANSFER AGENTS

Canbank Computer Services Ltd.,

218, J.P. Royale, 1st Floor,

2nd Main Sampige Road,

(Near 14th Cross), Malleswaram

Bangalore - 560 003

Phone : 080-23469661/62 & 23469664/65

Fax : 080-23469667/68

E-mail : Canbankrta@ccsl.co.in

The Company's equity shares are listed with Over The Counter Exchange of India and the requisite Listing fee has been paid by the Company.

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REPORT OF THE DIRECTORS TO THE MEMBERS

1. Your Directors have pleasure in presenting their 91st Annual Report together with the Audited Statement of Accounts for the year ended 30th June 2014.

2. FINANCIAL RESULTS

₹ In Lakhs

PARTICULARS	Year Ended	Year Ended
	30.06.2014	30.06.2013
Sales and other income	10520.95	9504.85
Profit/(Loss) for the year before Depreciation	10.88	216.94
Less: Depreciation	152.57	120.82
Profit/(Loss) before Tax	(141.69)	96.12
Less: Provision for Taxation		
- Current	-	(27.10)
- Deferred	(43.96)	9.35
Profit/(Loss) after tax	(185.65)	78.37
Add: Balance brought forward from Profit & Loss Account	981.15	928.18
Amount available for appropriation	795.50	1006.55
Appropriation:		
Dividend	-	17.44
Dividend Tax	-	2.96
Transfer to General Reserve	-	5.00
Balance carried to Balance Sheet	795.50	981.15
	795.50	1006.55

3. FINANCIAL HIGHLIGHTS AND OPERATIONS

The turnover of the Pharmaceutical Division during the year under review is Rs. 10513 Lakhs as compared to Rs 9422 Lakhs of previous year, that is a growth of Rs. 1091 lakhs or 11.57%.

In the year under review we have launched six new products – two each in expectorant and anti-ulcer GRD (gastro oesophageal reflex disease) and one each in hematinic (iron syrup), anti-fungal, antibiotic and in oral hypoglycemic For this it was necessary to incur large expenditure on sales promotion. While this has impacted the profitability for the year to some extent, the benefits from this investment will be seen in the coming year itself. Through these measures your company has made changes in the product profile so as to strengthen its current portfolio.

On the exports front the company had changed the arrangement of business of one of its principle market. From earlier arrangement of distribution the company has begun direct operations through its subsidiary in Singapore. This has resulted in taking back stocks and accounting of expenses which has contributed to a loss of Rs. 93 lakhs. However, with increased focus and direct marketing the company is confident of doing well in international markets. The subsidiary in Singapore will further focus on newer markets primarily in Latin America, South-East Asia and African continent.

The furnishing fabrics business has been curtailed drastically and the turnover from this business recorded a

marginal Rs. 53 lakhs as compared to the previous year of Rs. 83 lakhs. We also suffered loss in this business of Rs 46 lakhs. With all operation completely downsized, this division will breakeven in the coming years.

The consolidated turnover of the Company is Rs. 10521 Lakhs as compared to previous year's Rs. 9505 lakhs, or a growth of 10.68%.

Your Directors are confident that in the forthcoming year and with all the corrective measures taken your company will show significant growth and improved profitability.

4. DE-LISTING

Your Company is presently listed with OTC Exchange of India (OTCEI), who have sent a letter dated 4th February 2014 that, they would be going for voluntary surrender of their licence based on the exit option given by SEBI to all the Recognised Stock Exchanges as per the SEBI Circular No. CIR/MRD/DSA/14/2014 dated May 30, 2012.

OTCEI have given option to the Companies Listed with them that, the Companies can either get listed with any other Recognised Stock Exchanges or move to Dissemination Board. It was confirmed that your company does not comply with the provisions as set out for listing in other Recognised Stock Exchanges and hence, Board of Directors recommend that the Company can move to Dissemination Board.

5. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors state, on the basis of information furnished by the Management and Auditors of the Company, that:

- applicable accounting standards have been followed in the preparation of the annual accounts.
- appropriate accounting policies have been selected and applied consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company as at 30th June 2014 and to the profit of the Company for the year ended on that date
- proper and sufficient care have been taken for the maintenance of adequate 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.
- the accompanying Annual Accounts have been prepared on a going concern basis.

6. GROUP

Pursuant to intimation from Promoters of your Company, list of persons forming part of the same "Group" for the purposes of Regulation 3(1)(e)(i) of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 have been disclosed below: (Group coming within the definition of Group as defined in the Monopolies and

- Restrictive Trade Practices Act, 1969 (54 of 1969)
- Abhay Kanoria Family Trust represented by its Trustee Mr.Abhay Kanoria
- Progressive Traders & investors represented by its partner Mrs. Pallavi Kanoria
- Thames Liners Limited
- Sudarshan Exports Limited
- Abhay Kanoria
- Uddhav Kanoria
- Paritosh Industrial Finance Limited
- Nirbhay Kanoria
- Althaea Finance & Leasing Pvt. Ltd.

7. DIRECTORS

Shri. V.B.Haribhakti whose period of office was liable to be determined by retirement by rotation, be and is hereby proposed to be appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to the 96th Annual General Meeting of the Company to be held in the Calender Year 2019

Shri. Sanatkumar Shirali whose period of office was liable to be determined by retirement by rotation, be and is hereby proposed to be appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to the 96th Annual General Meeting of the Company to be held in the Calender Year 2019

Shri. N. Ahmedali whose period of office was liable to be determined by retirement by rotation, be and is hereby proposed to be appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to the 96th Annual General Meeting of the Company to be held in the Calender Year 2019

Shri. U.G.Patel whose period of office was liable to be determined by retirement by rotation, be and is hereby proposed to be appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to the 96th Annual General Meeting of the Company to be held in the Calender Year 2019

Shri. Sujay Banarji whose period of office is liable to be determined by retirement by rotation, be and is hereby proposed to be re-appointed as Director of the Company .

8. FIXED DEPOSITS

Your Company has not invited/accepted any fixed deposits during the year under review, as such; no amount of principal or interest on fixed deposit was outstanding on the date of balance sheet.

9. AUDITORS

a) Statutory Auditors:

In compliance with the Companies (Audit and Auditors) Rules, 2014, M/s Ray & Ray, Chartered Accountants, (Firm Registration Number 301072E), Statutory Auditors, are eligible for re-appointment as Auditors. Members are requested to re- appoint them as Auditors of the Company for one year to hold office from the conclusion of this Meeting till the conclusion of the 92nd Annual General Meeting of the Company, and to authorize the Board of Directors to fix their remuneration.

b) Cost Auditors:

M/s Rao, Murthy & Associates, Cost Accountants, were re-appointed as Cost Auditors to conduct cost audit of the accounts maintained by the Company, in respect of the Formulations and Cosmetics & Toiletries products for the financial year 2014-15.

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

Information pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure I to the Report and forms a part of this Report.

11. SECRETARIAL COMPLIANCE CERTIFICATE

Pursuant to the proviso to Section 383A(1) of the Companies Act, 1956 read with Rule 3(1) of the Companies (Compliance Certificate) Rules 2001, a Compliance Certificate obtained from Shri. R. Jayaraman, Company Secretary in Whole-time Practice, is attached as Annexure II and forms part of this Report.

12. ACKNOWLEDGEMENTS

Your Directors acknowledges 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

Mumbai
22nd August 2014

ABHAY KANORIA
Chairman &
Managing Director



ANNEXURE I TO THE DIRECTORS' REPORT

Information as per Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 30th June 2014.

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.
- d) Total energy consumption and energy consumption per unit of production.

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 not been immediately felt.

Please refer Form A hereunder.

FORM A [See Rule 2]

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

A. Power and Fuel consumption:

1. Electricity

a) Purchased :

		Previous year
Units	15,40,644	15,70,000
Total Amount [₹ in '000]	10,252	9,904
Rate/Unit [₹]	6.65	6.31

b) Own Generation :

i) Through Diesel Generator

Units	17,106	16,836
Units per Ltr. of Diesel Oil	2.95	3.04
Cost/Unit [₹]	19.74	16.93

ii) Through Steam Turbine/Generator

Units		
Units per Ltr. of Fuel Oil / Gas	Nil	Nil
Cost/Unit [₹]		

2. Coal

Quantity (tonnes)		
Total Cost [₹]	Nil	Nil

3. Furnace Oil

Previous Year

Quantity (K.Ltrs)	Nil	0.19
Total Amount [₹ in '000]	Nil	10.03
Average Rate [₹ per Ltr s]	Nil	52.80

4. Others/internal generation

Quantity		
Total Cost	Nil	Nil
Rate/Unit		

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 and furnishing fabrics 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:

e) 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:I

Research and Development [R&D].

- | | | |
|--|---|---|
| 1. Specific areas in which R&D carried out by the Company. | : | a) Formulations:
Development of new formulations, new dosage forms, substitution of imports by indigenous materials, improvement in process and stability of products. |
| | | b) Furnishing Fabrics:
Nil |
| 2. Benefits derived as a result of the above R&D | : | Launching of new products, increase in shelf life and reduction in costs. |
| 3. Future plan of action | : | Continuous development of new formulations. |



4. Expenditure on R & D	:	Previous Year
a) Capital [₹ in '000]	Nil	12
b) Recurring [₹ in '000]	2552	3211
c) Total [₹ in '000]	2552	3223
d) Total R&D expenditure as a percentage of total turnover	0.25%	0.35%

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- | | | |
|---|---|---|
| a) Activities relating to exports, initiatives taken to 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. |
|---|---|---|

		Previous Year	
b) Total foreign exchange used (₹ in '000)	:	39354	69667
Total foreign exchange earned (₹ in '000)	:	85828	113419

On behalf of the Board

Mumbai,
22nd August 2014

ABHAY KANORIA
Chairman & Managing Director

ANNEXURE II TO THE DIRECTORS' REPORT

R JAYARAMAN

Company Secretary (in Whole time Practice)

Adi Shakti, No.14/16 1st Cross,
Muni Reddy Layout,
Chikka Kallasandra, BANGALORE – 560 061
Phone No: 080-2639 2148

**COMPLIANCE CERTIFICATE ISSUED UNDER RULE No. 3 (1) OF THE COMPANIES
(COMPLIANCE CERTIFICATE) RULES, 2001**

To
The Members of
Anglo French Drugs & Industries Limited
41, 3rd Cross, V Block, Rajajinagar
BANGALORE- 560 010
Karnataka.

I have examined the registers, records, books and papers of M/s Anglo French Drugs & Industries Limited as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 30.06.2014. In my opinion and to the best of my information and according to the examinations carried out by me/us and explanations furnished to me/us by the company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Regional Director Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company is not a Private Limited Company.
4. The Board of Directors duly met 4 times, on 27.08.2013, 08.11.2013, 10.02.2014 & 28.04.2014 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed Register of Members from 01.11.2013 to 08.11.2013 in compliance of section 154 of the Act, and has released an advertisement in News papers viz. Financial Express in English and Hosa Digantha, Bangalore, in Kannada, on 23.10.2013.
6. The Annual General Meeting for the period ended on 30.06.2013 was held on 08.11.2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the Financial Year.
8. The company has not advanced any loan to its directors and / or persons or firms or companies referred in the Section 295 of the Act.
9. The company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. The company has obtained necessary approvals from the Board of Directors, members and previous approval of the Central Government pursuant to section 314 of the Act wherever applicable.
12. The Board of Directors or duly constituted Committee of Directors has approved the issue of duplicate share certificates.
13. The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted.
15. The appointment of Managing/ Whole-time Director/ Manager has been made in compliance with the provisions of Section 269 read with Schedule XIII to the Act.
16. The Company has not appointed any sole-selling agents.



17. The company has obtained all necessary approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other Firms/Companies to the Board of Directors Pursuant to the provisions of the Act and the rules made thereunder.
19. The company has not issued any shares /debentures /others securities during the Financial Year.
20. The Company has not bought back shares during the Financial Year.
21. The Company has not issued any Preference Shares during the year.
22. There were no rights dividend, issue of rights shares and bonus shares during the year.
23. The amounts borrowed by the Company from directors, members, public, financial institutions, banks and others during the period ended 30.06.2014 are within the borrowing limits of the Company and that necessary resolutions as per section 293 (1) (d) of the Act have been passed in duly convened Annual General Meeting.
24. The Company has made loans and investments, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
25. The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
26. The Company has not altered the provisions of the memorandum with respect of the objects of the Company during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to Share Capital of the Company during the year under scrutiny.
29. The Company has not altered its Articles of Association.
30. There is no prosecution initiated against the Company nor any show cause notices received by the company for alleged offences under the Act and no fines and penalties or any other punishment imposed on the company in such cases.
31. The Company has not received any amount as security from its employees during the year under certification and hence depositing the same under section 417(1) of the Act, does not arise.
32. The company has deposited both employees and employer's contributions to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

Place: Bangalore

Date: 16th August 2014

R JAYARAMAN

FCS-3212 CP 1830

Annexure A**Registers maintained by the Company under the Act, as on 30.06.2014**

1. Register of charges U/s 143 (1)
2. Register of Directors Shareholding U/s 307
3. Directors interested U/s 297 and 303 Rule 303 (3).
4. Board Meeting U/s 193
5. General Meeting Minutes
6. Register of Deposits – The Companies (Acceptance of Deposits) Rules 1975
7. Register of Investments U/s 49 (7)
8. Register of Contracts U/s 297, 299 & 301
9. The Register of Members and Register of Share Transfers are maintained by Company's Share Transfer Agents M/s Canbank Computer Services Ltd.

Annexure B**Forms>Returns/Reports filed with Registrar of Companies during the year ended 30.06.2014;**

Date of Filing	Form No/ Return	Under Section	Particulars
05.07.2013	Form 23C	Section 233B(2)	Application to the Central Government for Appointment of Cost Auditor.
09.07.2013	Form 8	Section 125, 127, 130, 132 and 135	Modification of Charge in favour of HDFC Bank Ltd.
15.07.2013	Form 8	Section 125, 127, 130, 132 and 135	Modification of Mortgage in favour of HDFC Bank Ltd. Hypothecation on movable Plant and Machinery.
01.10.2013	Form 8	Section 125, 127, 130, 132 and 135	Modification of charge in favour of Axis Bank.
20.11.2013	Form 23B	Section 224(1A)	Appointment of Statutory Auditor. Information by Auditor to Registrar
28.11.2013	Form A XBRL	Section 209(1)(d), 600(3)(b)	Filing XBRL document in respect of compliance report and other documents with the Central Government.
28.11.2013	Form I XBRL	Section 233B(4), 600(3)(b)	Filing Cost Audit Report and other documents with the Central Government.
02.12.2013	Form 66	Section 383A and rule 3(2) of the Companies (Compliance Certificate) Rules, 2001	Submission of Compliance Certificate
04.12.2013	Form AC & ACA XBRL	220(1)(a)	Balance Sheet and Profit & Loss Account as at 30.6.2013
04.12.2013	Form 5INV	Rule 3 of the Investor Education & Protection Fund	Statement of unclaimed and unpaid amounts – Investor Education and Protection Fund
06.12.2013	Excel file	Rule 3 of the Investor Education & Protection Fund	Investor details excel file uploaded - Dividend 2011-12



Date of Filing	Form No/ Return	Under Section	Particulars
24.12.2013	Form 20B	Section 159 & 161	Annual Return made up to AGM held on 08.11.2013
26.12.2013	Form 23	Section 192	Filing of AGM Resolutions
26.12.2013	Form 23	Section 192	Filing of Singapore Subsidiary Resolution
03.01.2014	Form 23D	Pursuant to Section 233B of the Companies Act, 1956.	Information by cost auditor to Central Government
09.05.2014	Form CHG-1	Section 384 read with Sections 77,78 and 79 of the Companies Act, 2013	Modification of Charge in favour of Axis Bank Ltd. Supplemental Deed of Hypothecation & Memorandum of entry for Immovable property at Peenya, Bangalore.
28.05.2014	Form MR-1	Section 196 read with Sec 197 & Sch V of the Companies Act,2013	Re-appointment of Shri.Abhay Kanoria w.e.f.01.4.2014 to 31.03.2017
05.06.2014	Form MGT-14	Section 94(1), 117(1) of the Companies Act, 2013 & Sec 192 of the Companies Act,1956	Registration of Resolution Passed in Board Meeting held on 28.04.2014

Place : Bangalore
Date : 16th August 2014

R JAYARAMAN
FCS -3212 CP 1830

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

Report on the Financial Statements

We have audited the accompanying financial statements of ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED which comprise the Balance Sheet as at June 30, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also

includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at June 30, 2014;
- b) in the case of the statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. the Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;



- iv. in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- v. on the basis of written representations received from the directors as on June 30, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on June 30, 2014, from being appointed as a director in terms of section 164(2) of the Companies Act, 2013;
- vi. since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For Ray & Ray
Chartered Accountants

Firm's Registration Number : 301072E

Mrinal Kanti Bandyopadhyay
Partner
August 22, 2014
Bangalore Membership Number : 051472

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED for the year ended June 30, 2014.

- | | |
|--|--|
| <p>I a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.</p> <p>b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.</p> <p>c) During the year substantial part of fixed assets have not been disposed off by the company,</p> <p>II a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.</p> <p>b) In our opinion, the procedures of physical verification of inventories are reasonable and adequate in relation to the size of the company and the nature of its business.</p> <p>c) We are of the opinion that the company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material.</p> <p>III (a) The company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Company's Act, 1956.</p> <p>(b) (i) Particulars of loans taken by the company from companies, firms and other parties, covered in the Register maintained under section 301 of the Companies Act, 1956, are given in Table 1 attached.</p> <p>(ii) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other</p> | <p>parties listed in the Register maintained under section 301 of the Companies Act, 1956 are not prima facie, prejudicial to the interest of the company.</p> <p>(iii) Where stipulated, the company is regular in repaying the principal amounts and has been regular in the payment of interest.</p> <p>IV In our opinion there are adequate internal control systems commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and the sale of goods and services. Further during the course of our audit, we have neither come across nor have we been informed of any instance of major weakness in the aforesaid internal control systems, which would require corrective action.</p> <p>V a) We are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register, maintained under the said section.</p> <p>b) In our opinion the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.</p> <p>VI In our opinion and according to information and explanation given to us, the Company has not accepted any deposit from the public and as such the question of compliance of section 58, 58AA and other relevant provisions of the Act do not arise.</p> <p>VII <i>The Company has an internal audit system. However, it requires to be more effective in order to make it commensurate with its size and nature of its business.</i></p> <p>VIII We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we are not required to and have not carried out any detailed examination of such accounts and records.</p> |
|--|--|



- IX a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs Duty, Excise Duty and other statutory dues applicable to it. There are no undisputed amounts payable in respect of all such statutory dues which were outstanding as at 30th June 2014 for more than six months from the date they became payable
- b) Income tax, Sales tax claims and Excise duty which have not been deposited due to disputes, are given in Table 2 attached.
- X There are no accumulated losses and the company has not incurred cash losses during the financial year covered by our report.
- XI The company has not defaulted in repayment of dues to financial institutions and banks.
- XII The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII As the company is not a chit fund company, provisions of paragraph 4(xiii) of the Order are not applicable.
- XIV Since the company is not dealing or trading or doing business in shares, securities, debentures and other investments, provisions of paragraph 4(xiv) of the Order are not applicable.
- XV The company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- XVI The company has received Rs. 1.75 Crores during the year as term loan and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained
- XVII On the basis of information and explanations given to us and on an overall examination of the Balance Sheet of the company, in our opinion, there are no funds raised on a short-term basis which have been used for long-term investment.
- XVIII The company has not made any allotment of shares during the year.
- XIX The company does not have any outstanding debentures.
- XX The company has not raised any money by way of public issue during the year.
- XXI In course of our audit, we have not noticed any fraud on or by the company nor has any such fraud been reported by the management.

For Ray & Ray
Chartered Accountants

Firm's Registration Number: 301072E

Mrinal Kanti Bandyopadhyay
Partner
August 22, 2014
Bangalore
Membership Number : 051472

Table 1**Particulars of Loans taken referred to in Clause III (b) (i) of annexure to Auditors' Report**

Sl. No	Name of Party	Relationship with the Company	Amount (₹ in,000)	Year end Balance (₹in '000)
1.	Althaea Finance & Leasing Pvt Ltd	Associate Company	3630	NIL

Table 2**Particulars of disputed statutory dues referred to in Clause IX (b) of annexure to the Auditors' Report**

Nature of duties / taxes disputed	Forum where Dispute is pending	Amount ₹ (in 000)
Income Tax	ITAT, Bangalore	17797
Service Tax	CESTAT, Bangalore	19984
Excise Duty	CESTAT, Bangalore	588
Sales Tax	JCCT, Patna	627
	DCCT, Lucknow	362
	JCCT, Pithampur	5646
	ACCT, Guwahati	124

**BALANCE SHEET AS AT 30th JUNE 2014**

(₹ in '000)

Particulars	Notes	Figures as at 30th June,2014	Figures as at 30th June,2013
I. EQUITY AND LIABILITIES			
(i) Shareholders' Funds			
(a) Share Capital	1	11625	11625
(b) Reserves And Surplus	2	145729	164294
(c) Money Received Against Share Warrants		-	-
(ii) Non-Current Liabilities			
(a) Long-Term Borrowings	3	36310	29323
(b) Deferred Tax Liabilities (Net)	4	12782	8386
(c) Other Long Term Liabilities	5	30980	32423
(d) Long Term Provisions	6	4228	3873
(iii) Current Liabilities			
(a) Short-Term Borrowings	7	172871	101727
(b) Trade Payables	8	149975	135473
(c) Other Current Liabilities	9	100605	102756
(d) Short-Term Provisions	10	19679	23940
Total		684784	613820
II. ASSETS			
(i) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	152874	141288
(ii) Intangible Assets		-	-
(iii) Capital Work-in-Progress		-	-
(b) Non-Current Investments	12	662	662
(c) Long Term Loans and Advances	13	13298	20212
(d) Other Non-Current Assets	14	-	-
(ii) Current Assets			
(a) Inventories	15	190832	127086
(b) Trade Receivables	16	201816	210879
(c) Cash & Bank Balances	17	28732	16313
(d) Short-Term Loans and Advances	18	90842	93731
(e) Other Current Assets	19	5728	3649
Total		684784	613820

The Notes referred to above are an integral part of Balance Sheet.
Significant Accounting Policies and Notes on Accounts as Note '27'
As per our report of even date

For and on behalf of the Board of Directors

For RAY & RAY

Chartered Accountants

Firm Registration Number 301072E

MRINAL KANTI BANDYOPADHYAY

Partner

Membership No. 051472

Date : 22nd August, 2014

B. SUBBARAYALU

Company Secretary

U.G. PATEL

Director

ABHAY KANORIAChairman &
Managing Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 30thJUNE , 2014

(₹ in '000)

Particulars	Notes	Figures for the period ended 30th June, 2014		Figures for the period ended 30th June, 2013	
I. Revenue From Operations	20	1036121		935467	
Less: Excise Duty		<u>38237</u>	997884	<u>40891</u>	894576
II. Other Income	21		15974		15018
III. Total Revenue (I +II)			<u>1013858</u>		<u>909594</u>
IV. Expenses:					
Cost Of Materials Consumed	22		284872		283505
Purchase Of Stock-in-Trade			236814		158628
Changes In Inventories Of Finished Goods, Work-in-Progress And Stock-in-Trade	23		(27102)		(6839)
Employee Benefits Expense	24		181255		150202
Finance Costs	25		23066		15872
Depreciation And Amortization Expense	11		15257		12082
Other expenses	26		313865		286532
Total Expenses			<u>1028027</u>		<u>899982</u>
V. Profit Before Exceptional And Extraordinary Items And Tax (III - IV)			(14169)		9612
VI. Exceptional Items			-		-
VII. Profit Before Extraordinary Items And Tax (V - VI)			(14169)		9612
VIII. Extraordinary Items			-		-
IX. Profit Before Tax (VII - VIII)			(14169)		9612
X. Tax Expense:					
(1) Current Tax			-		2710
(2) Deferred Tax			4396		(935)
Prior Period Expenses					
XI. Profit(Loss) For The Period From Continuing Operations (IX-X)			(18565)		7837
XII. Profit/(Loss) from Discontinuing Operations			-		-
XIII. Tax Expense of Discounting Operations			-		-
XIV. Profit/(Loss) From Discontinuing Operations (XII - XIII)			-		-
XV. Profit/(Loss) For The Period (XI + XIV)			(18565)		7837
XVI. Earning Per Equity Share:					
(1) Basic			(15.97)		6.74
(2) Diluted			(15.97)		6.74

The Notes referred to above are an integral part of Balance Sheet. Significant Accounting Policies and Notes on Accounts as Note '27'

As per our report of even date

For and on behalf of the Board of Directors

For RAY & RAY

Chartered Accountants

Firm Registration Number 301072E

MRINAL KANTI BANDYOPADHYAY

Partner

Membership No. 051472

Date : 22nd August, 2014

B. SUBBARAYALU

Company Secretary

U.G. PATEL

Director

ABHAY KANORIA

Chairman &
Managing Director



NOTES TO BALANCE SHEET

(₹ in '000)

	Figures at 30th June, 2014	Figures at 30th June, 2013
Note : 1 Share Capital		
A) Authorised Share Capital :		
2,000,000 Equity Shares of Rs. 10/- each (Previous Year 2,000,000 Equity Shares of Rs. 10/- each)	20,000	20,000
B) Issued ,Subscribed & Paid Up Capital :		
1,162,500 Equity Shares of Rs. 10 each fully paid up (Previous Year 1,162,500 Equity Shares of Rs. 10/- each)	11,625	11,625
Of the above 704,000 Shares are Issued by way of Bonus Shares by capitalisation of General Reserve		
	11,625	11,625

C) Reconciliation Of The Number Of Shares Outstanding At The Beginning And At The End Of The Reporting Period

(₹ in '000)

	Current Year		Previous Year	
	No. Of Share	Value(In Rs.)	No. Of Share	Value(In Rs.)
At The Beginning Of The Period	1,162,500	11,625	1,162,500	11,625
Issued during the period	-	-	-	-
Share Suspense Account	-	-	-	-
Outstanding At The End Of The Period	1,162,500	11,625	1,162,500	11,625

D) The Company has only one class of shares i.e Equity carrying a nominal value of Rs. 10/- per share Every holder of the equity share 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.

E) Shares In The Company Held By Each Shareholder Holding More Than 5 Percent Shares;

	Current Year		Previous Year	
	No. Of Share	% Held	No. Of Share	% Held
1 Mr Abhay Kanoria Family Trust represented by Mr. Abhay Kanoria	258,975.00	22.28	256,225.00	22.04
2 Progressive Traders & Investors represented by Smt Pallavi Kanoria	351,970.00	30.28	351,970.00	30.28
3 Life Insurance Corporation of India	90,000.00	7.74	90,000.00	7.74
4 A Infrastructure Limited	89,800.00	7.72	89,800	7.72

Note : 2 Reserves & Surplus

	Current Year	Previous Year
A) Capital Reserve		
As at Commencement of the Year	4295	4295
Add : Transferred from Statement of Profit & Loss	-	-
	4295	4295

(₹ in '000)

	Figures at 30th June, 2014		Figures at 30th June, 2013	
B) Security Premium Reserve				
As at Commencement of the Year	6975		6975	
Add : Received on further issue of shares	-	6975	-	6975
C) General Reserve				
As at Commencement of the Year	54909		54409	
Add : Transferred from Statement of Profit & Loss	-	54909	500	54909
D) Surplus / (Deficit) In The Statement Of Profit and Loss				
As at Commencement of the Year	98115		92818	
Add: Profit / (Loss) for the year	(18565)		7837	
Less: Proposed Dividend	-		1744	
Less: Tax on Proposed Dividend	-		296	
Less: Transfer to General Reserve	-		500	
As at End of the Year		79550		98115
Total Reserves and Surplus		145729		164294
Note : 3 Long-Term Borrowings				
Term Loan				
From Banks(Secured)				
Car Finance Loans from Banks (Secured by hypothecation of vehicles financed out of proceeds of loans)		5232		4173
HDFC Term Loan (Secured by mortgage of Land, Buildings & Plant & Machinery at Bangalore) (Term Loan repayment are in Monthly Installments for Four Years)		21608		20000
From Others				
Inter Corporate Deposits		9470		5150
		36310		29323
Note : 4 Deferred Tax Liability				
Deferred Tax Liabilities		12782		8386
		12782		8386
Note : 5 Other Long Term Liabilities				
Trade Payables		897		2324
Deposits from C&F Agents		30083		30099
		30980		32423
Note : 6 Long Term Provisions				
Provision For Employee Benefits		-		-
Provision for Gratuity		-		-
Provision for Leave Encashment		4228		3873
		4228		3873



(₹ in '000)

	Figures at 30th June, 2014	Figures at 30th June, 2013
Note : 7 Short Term Borrowings		
Loans payable on demand From Banks		
Working Capital facilities (Secured)	30804	-
Secured against first hypothecation on Stocks and Book Debts ranking pari passu		
Cash Credit	142067	101727
	<u>172871</u>	<u>101727</u>
Note : 8 Trade Payable		
Creditors - Trade payable	149975	135473
	<u>149975</u>	<u>135473</u>
Note : 9 Other Current Liabilities		
Statutory Liabilities	30222	19721
Accrued Liabilities	37726	35971
(Medical Benefits, Travel, Insurance, Documentation Charges)		
Unpaid Dividends	643	474
Advance from Customers	496	5224
Employee Related	15240	19205
(Bonus, Commission, Exgratia and Salary Payable)		
Creditors - Capital Goods	18	5938
Other Payables	16260	16223
(Other payable consists of amount payable to service providers)		
	<u>100605</u>	<u>102756</u>
Note :10 Short-Term Provisions		
A) Provision for employee benefits		
Gratuity	18563	20879
Leave Encashment	840	628
Expenses	276	393
Proposed Dividend	-	1744
Tax On Dividend payable	-	296
B) Others	-	-
	<u>19679</u>	<u>23940</u>

Note :11 FIXED ASSETS

DEPRECIATION FOR THE PERIOD FROM 01/07/2013 TO 30/06/2014

(₹ in '000)

Particulars	Gross Block			Cost as on 30-06-2014	DEPRECIATION			NET BLOCK		
	At Cost as on 01-07-2013	Additions	Deductions		As on 01-07-2013	For the Year	Deductions	Upto 30-06-2014	As on 30-06-2014	As on 30-06-2013
I. TANGIBLE ASSETS										
Freehold Land	1040	-	-	1040	-	-	-	-	1040	1040
Buildings	86631	211	-	86842	28606	2838	-	31444	55398	58025
Plant & Machinery	134283	17491	2459	149315	78348	7406	1372	84382	64933	55935
Computers	35062	5632	793	39901	33051	2070	785	34336	5565	2011
Furniture & Fixtures	16891	769	-	17660	7413	904	-	8317	9343	9478
Office Equipments	5412	233	-	5645	2632	204	-	2836	2809	2780
Vehicles	18088	4749	3197	19640	6069	1835	2050	5854	13786	12019
Total	297407	29085	6449	320043	156119	15257	4207	167169	152874	141288
Previous Year	309014	15227	26834	297407	161814	12082	17777	156119	141288	
II. INTANGIBLE ASSETS										
Trade Marks	164			164	164			164	-	-
Grand Total	297571	29085	6449	320207	156283	15257	4207	167333	152874	141288
Previous Year	309178	15227	26834	297571	161978	12082	17777	156283	141288	

(₹ in '000)

Note : 12 Non-Current Investments

Others

Investment in Equity Instruments

QUOTED - AT COST

Shares in Industrial Development

Bank of India Limited

5760 shares of ₹ 10 each

468

468

Shares in Vijaya Bank

19400 shares of ₹ 10 each

194

194

662662

Note : 13 Long-Term Loans & Advances

Unsecured Considered Good

Deposits

5753

2851

Advance for Capital Assets

7545

17361

1329820212

Note : 14 Other Non Current Assets

Unsecured Advances

Trade receivables

17749

14056

less: provision on doubtful debtors

1774914056

-



(₹ in '000)

	Figures at 30th June, 2014	Figures at 30th June, 2013
Note : 15 Inventories		
Raw Materials	66006	29363
Packing Materials	28499	12882
Work-in-Process	7543	7027
Finished Goods	88783	62197
Stores and Spare Parts	10284	27448
(Raw materials & Packing materials are valued at weighted Average method, WIP & Finished Goods at Standard Price and stores and spares at cost) Less : Provision for Inventories (promotional, stores and spares & chemicals)	<u>(10283)</u>	<u>(11831)</u>
	<u>190832</u>	<u>127086</u>
Note : 16 Trade Receivables		
Debtors outstanding for a period exceeding six months		
Unsecured, Considered Good	57323	52658
Others	-	-
Considered Good	<u>144493</u>	<u>158221</u>
	<u>201816</u>	<u>210879</u>
Note: 17 Cash & Bank Balances		
Cash and Cash Equivalents		
a) Cash in Hand	362	1196
b) Cheques in Hand	826	885
c) Stamps	9	40
d) Balance with Scheduled Banks :		
In Current Accounts	3291	8479
Other Bank Balances		
i) In Margin Money Accounts	4097	5604
ii) In Fixed Deposit Accounts	<u>20147</u>	<u>109</u>
	<u>28732</u>	<u>16313</u>
Note : 18 Short-term Loans & Advances		
Others Unsecured, Considered Good		
Advance recoverable	58295	53822
in Cash or in kind or for value to be received (CENVAT, Service Tax, Gratuity Fund & Other Advances)		
Income Tax (Net of Provision)	7084	3118
Deposits	9448	8620
(Leave License & Earnest money Deposits)		
Tax on Dividend Payable	-	-
Advance to Suppliers & Others	9793	18871
Advance to Employees	4330	9300
Others	<u>1892</u>	<u>-</u>
	<u>90842</u>	<u>93731</u>
Note : 19 Other Current Assets		
Prepaid Expenses	<u>5728</u>	<u>3649</u>
	<u>5728</u>	<u>3649</u>

NOTES TO PROFIT AND LOSS STATEMENT

(₹ in '000)

	Figures for period ended 30th June, 2014	Figures for period ended 30th June, 2013
Note : 20 Revenue from operation		
a) Sale of Products		
- Pharmaceutical / Fabrics	1026257	929200
b) Other Operating Income		
Sale of Scrap	424	220
Excise duty recovered on operating income	1041	892
Conversion Charges/Income from Job work	8394	3762
Miscellaneous - Operating Income	-	258
Cash Discount Received	5	5
Export Duty Credit/Duty Drawback	-	1130
	<u>1036121</u>	<u>935467</u>
	1036121	935467
	<u>1036121</u>	<u>935467</u>
Note : 21 Other Incomes		
Insurance Claim Local	257	371
Miscellaneous Income -Non Operating	5490	5487
Dividend Income	92	57
Liabilities Written Back	9153	5104
Profit/loss on Sale of Assets	123	-
Exchange Rate (Loss)/ Gain	-	3999
Interest on Others	859	-
	<u>15974</u>	<u>15018</u>
	15974	15018
	<u>15974</u>	<u>15018</u>
Note : 22 Cost of Materials Consumed		
A) Raw Material Consumed		
Opening Stock	29363	37608
Purchases	247157	196198
Freight & Carriage Inward	118	169
	<u>276638</u>	<u>233975</u>
Less : Sales	-	2031
Less : Closing Stock	66006	29363
Raw Material Consumed	<u>210632</u>	<u>202581</u>
B) Packing Material Consumed		
Opening Stock	12882	16339
Purchases	89857	77467
	<u>102739</u>	<u>93806</u>
Less : Closing Stock	28499	12882
Packing Material Consumed	<u>74240</u>	<u>80924</u>
Cost of Material Consumed	284872	283505



(₹ in '000)

	Figures for period ended 30th June, 2014	Figures for period ended 30th June, 2013
Note : 23 Increase/(Decrease) In Work in Progress, Finished Goods and Stock-in-Trade		
Closing Stock of :		
Finished Goods	88783	62197
Work in Process	7543	7027
Total (A)	<u>96326</u>	<u>69224</u>
Opening Stock of :		
Finished Goods	62197	50770
Work in Process	7027	11615
Total (B)	<u>69224</u>	<u>62385</u>
(Increase)/Decrease in Work In Progress, Finished Goods and Stock in trade (A-B)	<u>(27102)</u>	<u>(6839)</u>
Note : 24 Employees Remuneration & benefits		
A) Salary, Wages, Allowances & other Benefits	161923	133213
B) Contribution to PF and other funds		
Contribution to Gratuity Fund	-	2099
Contribution to PF	8309	7157
ESI Contribution	468	507
C) Staff Welfare Expenses	122	371
Group Insurance	1520	939
Other Staff Welfare Expenses	8913	5916
	<u>181255</u>	<u>150202</u>
Note : 25 Finance Cost		
A) Interest Expenses :		
Term Loan	4531	21
Working Capital Loans	13063	11664
Vehicle Loan	583	267
Statutory Dues	-	258
Others	4383	3076
(Interest on Inter-Corporate Deposits and C&F Deposits net off Interest on Bank Deposits)		
B) Other Borrowing Cost		
Processing Charges	506	586
C) Net gain / Loss on foreign Transaction	-	-
	<u>23066</u>	<u>15872</u>

(₹ in '000)

	Figures for period ended 30th June, 2014	Figures for period ended 30th June, 2013
Note : 26 Other Expenses		
A) Selling & Distribution Expenses		
Selling Expenses	2773	948
Advertisement & Publicity	101	106
Business Promotion Expenses	38067	43571
Bad Debts written off	1214	183
Provision for Doubtful Debts	3594	339
Clearing, Forwarding & Freight	15515	12358
Rebates & Discount Allowed	15520	16092
Insurance Expenses	543	682
Clearing & Forwarding Agents Commission	20074	19531
B) Operating, Administrative & Other Expenses		
Consumption of Stores and Spares	1067	5012
<u>Auditors Remuneration</u>		
Statutory Audit Fee	301	285
Tax Audit Fee	45	62
Certification and other matters	268	194
Conveyance Expenses	1042	1868
Electricity, Fuel & Water	16474	15252
Foreign Exchange Rate Fluctuation on Expenses	2541	21
Job-work Charges- Manufacturing Service charges	17077	20953
Legal & Professional Fee	5817	8709
Loss on Sale of Fixed Assets	971	4072
Membership Fee & Subscription	2716	3361
Rent	9977	11101
Rates & Taxes	1954	3676
<u>Repairs & Maintenance</u>		
Building	3542	2418
Plant & Machinery	8460	8835
Others	3108	2394
Tour & Travelling Exp.	88481	71680
CWIP Written off	-	53
Sales Tax	4703	3080
Excise Duty	3784	2251
Directors Fee	85	90
Other Expenses (Descriptive Note - A)	44051	27355
	313865	286532

Note - A: Inclusive of Charity & Donations, Festival & Celebration expenses, Postage & Telegram expenses, Bank Charges, Printing & Stationery expenses, Telephone & Telex Charges, Laboratory, Research & Development expenditure, ERP expenses.



NOTE 27

NOTES TO THE ACCOUNT

1. Significant Accounting Policies forming part of the Balance Sheet as at 30th June 2014 and Statement of Profit & Loss for the Year ended 30th June 2014:
 - a) **Basis of accounting**

The financial statements are prepared on an accrual basis of accounting and in accordance with the generally accepted accounting principles in India and Provisions of the Companies Act, 1956 read with the Companies (Accounting Standards) Rules, 2006.
 - b) **Fixed Assets**

All fixed assets are stated at net cost of acquisition (including financing cost till installation, where applicable) less accumulated depreciation.
Registered trademarks are stated at cost of acquisition less accumulated amortization.
 - c) **Depreciation**

Depreciation is provided on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956 except in the case of computers & software on which depreciation is provided based on an estimated useful life of three years.
Acquisition cost of registered trade marks are amortized over a period of three years from the year of acquisition.
 - d) **Investments**

Non-Current Investments are stated at cost.
 - e) **Inventories**

All Inventories including samples are valued at cost or net realizable value whichever is lower. Cost of Raw Materials, including packing materials, work in progress and Finished Goods is considered net of cenvat benefit
 - f) **Retirement Benefits**

The Company has various schemes of Retirement Benefits such as Provident Fund, Superannuation Fund and Gratuity Fund duly recognised by Income-tax authorities and the Company's contributions are charged against revenue for the year.
In respect of Gratuity, the Company's contribution is determined on the basis of actuarial valuation obtained at the end of the accounting period and the Superannuation fund benefits are funded through the Group Scheme of the Life Insurance Corporation of India.
The liability for earned leave on retirement has been provided on the basis of actuarial valuation at the end of the accounting period.
 - g) **Research & Development**

Capital expenditure on Research & Development is treated in the same way as expenditure on fixed assets. The revenue expenditure on Research & Development is written off in the year in which it is accrued.
 - h) **Foreign Currency Translations**

The foreign currency balances receivable/payable as at the year end are converted at the closing rate, and the exchange difference has been recognised in the Statement of Profit and Loss or adjusted in the value of fixed assets, as applicable.
 - i) **Income Recognition**

Revenue from sale of goods is recognised on despatch of goods to the customers. Sales are stated net of trade discounts and sales returns and excludes sales tax.
 - j) **Taxes on Income**

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the temporary difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

2. Contingent Liabilities not provided for in respect of
- Income Tax demand amounting to ₹ 1,77,97,803/- against which appeal is pending before appropriate authority.
 - Excise duty demand amounting to ₹2,05,71,808/-against which appeal is pending before appropriate authority.
 - Sales tax demands amounting to ₹ 77,12,104/- against which the Company has preferred appeals.
 - Counter Guarantees given to the Banks against guarantees given by them on Company's behalf ₹ 89,80,501/-(previous year ₹ 1,21,15,000/-).
 - Letters of Credit open and outstanding ₹ 50,17,060/-(previous year ₹ 1,97,23,000/-)
3. Estimated amount of contracts remaining to be executed on Capital Commitments and not provided for ₹ 75,45,466/-(previous year ₹ 1,73,61,000/-).
4. The provision for leave encashment as on 30.06.2014 is detailed as under

	Current Year	Previous Year
	₹ in '000	₹ in '000
Balance as at the beginning of the year	4501	4238
Less paid during the year	<u>1750</u>	<u>1334</u>
	2751	2904
Add provisions made for the year	<u>2167</u>	<u>1597</u>
Balance at the end of the year	<u>4918</u>	<u>4501</u>

5. Investments are in the nature of long term Investments.
6. Closing stock of Finished goods includes samples amounting to ₹ 53,20,920/-, which are not meant for sale.
7. The Company has not received information from any supplier with the supportings that they are registered under Micro, Small and Medium Enterprises Development Act, 2006. Hence no information about the dues on account of principal amount together with accrued interest due to such enterprises has been made. This has been relied upon by the Auditors.

8. Managerial remuneration

	Current Year	Previous Year
	₹ in '000	₹ in '000
(a) Salary	4187	4548
Commission	-	189
Contributions to Provident Fund & Other Funds	1205	1175
Perquisites	<u>2096</u>	<u>1287</u>
	7488	7199
(b) Directors' Fees	<u>85</u>	<u>90</u>
	<u>7573</u>	<u>7289</u>



9. Employee Benefits

Disclosure as required by Accounting Standard on Employee Benefits (AS 15) Revised 2005) issued by the Institute of Chartered Accountants of India.

a) (i) **Defined Contribution Plans**

The Company has recognized the following amounts in the Statement of Profit and Loss for Defined Contribution Plans:

	Current Year	Previous Year
	₹ in '000	₹ in '000
Superannuation Fund	1310	1290

(ii) **State Plans**

The Company has recognized the following amounts in the Statement of Profit and Loss for the Contribution to State Plans :

	Current Year	Previous Year
	₹ in '000	₹ in '000
Employee's Provident Fund	-	-
Employee's State Insurance	467	506
Employee's Pension Scheme	2907	2493

(iii) **Defined Benefit Plans**

	Current Year	Previous Year
	₹ In '000	₹ In '000
(a) Provident Fund	4120	3404

(b) Leave Encashment / Compensated Absences(₹ In '000)

Salaries, Wages & Bonus Includes ₹ 2232 /- (*Previous Year* ₹ 2050/-) towards provision made as per actuarial valuation in respect of accumulated leave encashment/compensated absences.

C Contribution to Gratuity Funds

The details of the Company's Gratuity Fund for its employees including the Managing Director are given below which is certified by the actuary and relied upon by the auditors:

₹ in '000

	June 14	June 13
Change in the Benefit Obligations:		
Liability at the beginning of the year – Current	1573	1653
Liability at the beginning of the year – Non-Current	19306	18691
Interest Cost	1715	1486
Current Service Cost	1320	3241
Benefits Paid	(2466)	(3544)
Actuarial Loss / (Gain)	(3431)	(16)
Amount Due for resigned employees but not paid	546	(632)
Liability at the end of the year	18563	20879
Fair Value of plan assets:		
Fair Value of Plans assets at year beginning of the year	20352	20344
Expected Return on Plan Assets	1552	1526
Special Deposit with the Bank	50	-
Contributions	1525	1926
Benefits Paid	(2466)	(3544)
Actuarial Gain/ (Loss) on Plan Assets	166	1085
Amount Receivable from the company	(527)	(459)
Balance payable by the company	Nil	(527)
Fair Value of Plans assets at the end of the year	20652	20352
Total Actuarial Loss / (Gain) to be recognized	-	-
Actual Return on Plan Assets:		
Expected return on Plan Assets	(1552)	(1526)
Actuarial Gain / (Loss) on Plan Assets	(3598)	(1101)
Actual return on Plan Assets	(5150)	(2627)
Amount Recognised in the Balance Sheet:		
Liability at end of the year	18563	20879
Fair value of Plan Assets at the end of the year	20652	20352
Amount recognized in the balance sheet under "Current Assets, loans and Advances" / ("Current Liabilities & Provisions")	2089	(527)
Expenses recognised in the Statement of Profit & Loss :		
Interest cost	1715	1486
Current Service cost	1320	3241
Expected return on plan assets	(1552)	(1526)
Net Actuarial (gain) / loss to be recognized	(3598)	(1101)
Expenses recognised in the Statement of Profit & Loss under "Employee Emoluments"	(2115)	2100



The long term estimate of the expected rate of return on fund assets has been arrived based on the above allocation and the prevailing yields on these assets. The investments in gratuity fund has been permitted to invest as per Insurance Regulatory and Development Authority

Defined benefit plans - Gratuity

(₹ In 000s)

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
Defined benefit obligation	18563	(20879)	(20344)	(18944)	(16052)	(14107)
Plan assets	20652	20352	19885	18230	15661	13058
Surplus/(deficit)	2089	(527)	(459)	(714)	(391)	(1049)

Note : No reported experience adjustments on plan liabilities and plan assets.

Principal Assumptions		
Particulars	Current Year %	Previous Year (%)
Discount Rate	8.73	8.00
Return on Plan Assets	8.00	8.50

Investment Pattern		
Particulars	Current Year	Previous Year
Central Government Securities / State Government Securities / Securities guarantee by state/ central government	-	-
Public Sector / Financial Institutions Bonds	-	-
Portfolio with mutual Funds	97.71	97.74
Others	2.29	2.26
TOTAL	100.00	100.00

10. Major components of deferred tax assets and liabilities arising on account of temporary timing differences are :

	Current Year		Previous Year	
	Assets ₹ In '000	Liabilities ₹ In '000	Assets ₹ In '000	Liabilities ₹ In '000
Depreciation		22508		22891
Provision for Doubtful Debts	5484		4560	
Provision for leave Encashment	1566			
Bonus	1487		2160	
Carry forward Loss	1189		7785	
Total	9726	22508	14505	22891
Net		12782		8386

The deferred tax asset on the carry forward losses have been recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized.

11. Segment information for year ended 30th June 2014

1. information about primarily business segments

(₹000s)

	Current Year	Previous Year
Revenue		
a. Pharmaceuticals	991118	901229
b. Furnishing	5901	8307
c. Subsidiary	16747	-
d. Unallocated	92	58
Total	1013858	909594
Less: inter segment revenue	927	168
Net Sales/Income from operations	1012931	909426
Result		
a. Pharmaceuticals	15889	36800
b. Furnishing	(4576)	(9800)
c. Subsidiary	(962)	-
Total	10351	27000
Less:		
i) Interest (net)	(23066)	(15872)
ii) Unallocable expenditure net of unallocable income	(1454)	(1516)
Profit / (Loss) before Tax	(14169)	9612

	Pharmaceuticals		Furnishing Fabrics		Unallocated		Subsidiary		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Other Information										
Segment assets	653643	595779	22174	26092	(8307)	3780	18235	-	685745	625651
Segment liabilities	512280	436705	2615	2602	(4233)	8386	16767	-	527430	447693
Capital expenditure	29085	15227	-	-					29085	15227
Depreciation	14093	10669	1164	1413					15257	12082

2. Information about Secondary Business Segments

	India		Outside India		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue by geographical market						
External	928030	778849	85828	130745	1013858	909594
Inter-segment	927	168			927	168
Total	927103	778681	85828	130745	1012931	909426
Carrying amount of segment assets	685745	625651	-	-	685745	625651
Additions to fixed assets	29085	15227	-	-	29085	15227

Notes:

(i) The Company is organized into two main business segments, namely:

- Pharmaceuticals
- Furnishing Fabrics

Segments have been identified and reported taking into account, the nature of products and services, the differing risks and returns, the organization structure, and the internal financial reporting systems.

(ii) Segment Revenue in each of the above domestic business segments primarily includes sales, processing charges, and exports incentives in the respective segments.

Segment revenue comprises of:

	Current Year	Previous Year
	₹ in '000	₹ in '000
- Sales	997884	894576
- Other Income	15974	15018
	<u>1013858</u>	<u>909594</u>

(iii) The Segment Revenue in the geographical segments considered for disclosure is comprised of:

- (a) revenue within India includes sales to customers located within India and earnings in India.
- (b) revenue outside India includes sales to customers located outside India and earnings outside India.

(iv) Segment revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.



12. Related Parties disclosure

A. Associate Companies/Enterprises

Althaea Finance & Leasing Pvt Ltd.	Ekta Tie-up Pvt. Ltd.	Sudarshan Exports Ltd.
Aakruti Investments Ltd.	GBK Charitable Trust	Sudarshan Services Ltd.
Abhay Kanoria Family Trust	Paritosh Industrial Finance Limited	Thames Liners Ltd.
Broach Textile Mills Ltd.	Progressive Traders & Investors	Tirupati Printers Pvt. Ltd.
Capital Commerce Pvt. Ltd.	Radha Kesari Spinning Mills Ltd.	

B. Key Management Person

Mr. Abhay Kanoria
Mr. Uddhav Kanoria
Mr. Rajesh Sharma

C. Relative of Key Management Person

Mrs. Pallavi Kanoria
Mr. Nirbhay Kanoria

Details of the transactions with related parties referred to in item (A) above		Current Year	Previous Year
Associates/Companies/Enterprises		₹ in '000	₹ in '000
1	Rent paid Sudarshan Services Ltd. Althaea Finance & Leasing Pvt. Ltd. Broach textile mills Ltd.	540 Nil Nil	420 Nil 50
2	Receiving of Services - Administrative, Commercial & Accounting service. Sudarshan Services Ltd.	253	205
3	Inter Corporate Deposit accepted: I) Sudarshan Exports Ltd. Amount payable as on 30.06.2014 Interest Paid ii) Ekta Tie - up Pvt. Ltd. Amount payable as on 30.06.2014 Interest Paid iii) Althaea Finance & Leasing Pvt. Ltd. Amount payable as on 30.06.2014 Interest Paid	2970 57 Nil Nil Nil 53	Nil Nil Nil 55 Nil 18
4	Amount payable included in Current Liabilities - Sundry creditors Sudarshan Services Ltd. GBK Charitable Trust	Nil Nil	12 150
Relatives of Key Management personnel Remuneration		1200	1151
Key Management personnel Remuneration		7488	7199

Figures in parenthesis () represent negative figures.

13 Details of Raw Materials Consumed

Description Unit	Current Year		Previous Year		
	Qty.	Value ₹ in '000	Qty.	Value ₹ in '000	
PHARMACEUTICALS					
Ascorbic Acid	Kgs	85895	45010	77435	30340
Miscellaneous (None individually account for more than 10% of total consumption)			163984		168753
FURNISHING FABRICS					
Yarn	Kgs	7043	1638	16094	3488
			210632		202581

14. Value of Raw Materials, Stores and Spare Parts consumed:	Current Year		Previous Year	
	Value ₹ in '000	%	Value ₹ in '000	%
a) Raw & Packing Materials:				
Imported	20126	10	7069	3
Indigenous	190506	90	195512	97
	<u>210632</u>	<u>100</u>	<u>202581</u>	<u>100</u>
b) Stores and Spare Parts				
Imported	-	-	-	-
Indigenous	1067	100	5012	100
	<u>1067</u>	<u>100</u>	<u>5012</u>	<u>100</u>

15. Purchases of Finished Goods	Units	Qty.	Current Year		Previous Year	
			Value ₹ in'000	Qty.	Value ₹ in '000	
<u>Formulations:</u>						
a) Tablets	Million	133	94139	106	88201	
b) Liquids	Bottles	6098526	58981	2354978	29096	
c) Injections	Litres	116194	12206	73875	13943	
d) Capsules	Million	27	20245	21	23305	
e) Granules	kgs	23144	611	396	58	
f) Powder	Kgs	17705	1970	5988	751	
g) Ointment	Kgs	356561	13235	2326	770	
h) Raw Materials	Kgs	51443	26025	-	-	
i) Others	kgs	404270	9003	148400	2356	
j) Fabrics	Mtrs	4203	399	1144	148	
			<u>236814</u>		<u>158628</u>	

16. a) Value of Imports on CIF basis	Current Year		Previous Year	
	₹ in '000		₹ in '000	
i) Raw Materials	23541		8159	
ii) Components and Spare Parts	—		—	
b) Expenditure in Foreign Currency	39354		69667	
c) F.O.B. Value of Exports				
i) In Foreign Currency	75306		113419	
ii) In Indian Rupees	12761		12643	
	<u>88067</u>		<u>126062</u>	

17. The company has mortgaged its land at Peenya and first charge on Plant and Machinery of the company on the term loan taken from HDFC Bank & Paripassu charge with Axis Bank

18. The figures in respect of previous period have been regrouped /recast where ever necessary.

19. The figures in the statement profit & loss of the current year of holding company represent amount for a period of twelve months as against a period of fifteen months of the subsidiary company (unaudited) and hence are not comparable.

Signatures to Notes 1 to 27
For and on behalf of the Board of Directors

B.SUBBARAYALU
Company Secretary

U.G.PATEL
Director

ABHAY KANORIA
Chairman & Managing
Director



CASH FLOW STATEMENT FOR THE YEAR ENDED 30th JUNE 2014

₹ in '000

	Year ended 30th June 2014	Year ended 30th June 2013	
<u>A. CASH FLOW ARISING FROM OPERATING ACTIVITIES</u>			
Profit/(Loss) Before Tax	(14,169)	9,612	
Extraordinary items			
Net Realisation towards sale of Asset	-	-	
Profit/(Loss) Before Tax but after extraordinary item	(14,169)	9,612	
Add Back:			
a) Depreciation	15,257	12,082	
b) Bad debts written off	1,214	183	
c) Interest expense	23,066	16,425	
d) Loss arising from changes in foreign currency	2,541	-	
e) Loss / (Profit) on sale of Fixed assets/Assets written off	849	4,072	32,762
Deduct:			
a) Interest income	(859)	(553)	
b) Dividend income	(92)	(57)	
c) Gain arising from changes in foreign currency exchange rates of cash equivalent	-	(3,999)	
	(951)	(4,609)	
Cash Operating Profit/(Loss) Before Working Capital Changes	27,807	37,765	
Adjustments for Changes in Working Capital			
a) (Increase) / Decrease in Inventories	(62,198)	(14,522)	
b) (Increase) / Decrease in Short Term Loans & Advances	5,251	(15,838)	
c) (Increase) / Decrease in Trade receivables	(11,002)	(42,232)	
d) (Increase) / Decrease in Short Term Provisions	(4,261)	271	
e) (Increase) / Decrease in Other Current Assets	(1,605)	1,019	
f) (Increase) / Decrease in Other Current Liabilities	(17,651)	17,526	
g) (Increase) / Decrease in Trade Payables	44,469	45,640	(8,136)
Cash Generated From Operations	(19,190)	29,629	
Net income tax (paid) / refunds	-	(2,710)	
Net cash flow from operating Activities (A)	(19,190)	26,919	
<u>B. CASH FLOW ARISING FROM INVESTING ACTIVITIES</u>			
Outflow			
a) Acquisition of Fixed Assets	(29,085)	(15,227)	
b) Investment in Subsidiary	-	-	(15,227)
	(29,085)	-	
Inflow			
a) Sale of fixed assets	1,394	4,986	
b) Dividend Received	92	57	
c) Interest Received	859	553	
d) Increase in other Long Term Current Assets	-	-	5,596
	2,345	-	
Outflow			
a) Increase in Long Term Loans & Advances	6,914	(16,635)	(16,635)
Net Cash (Outflow) in course of Investing Activities	(19,826)	(26,266)	

CASH FLOW STATEMENT FOR THE YEAR ENDED 30th JUNE 2014

₹ in '000

	Year ended 30th June 2014		Year ended 30th June 2013	
<u>C. CASH FLOW ARISING FROM FINANCING ACTIVITIES</u>				
Inflow				
a) Inter-Corporate Deposits taken	55,030		16,300	
b) Proceeds from Short Term Borrowings	71,144		-	
c) Increase in other long term Borrowings	1,608		20,000	
d) Increase in Car Loan	2,935		3,572	
e) Increase in Long Term Provisions	354	1,31,071	412	40,284
Outflow				
a) Repayments of Long Term Borrowings	(1,443)		(2,702)	
b) Interest Paid	(23,066)		(16,425)	
c) Repayments of Short Term Loans/borrowings	-		(4,352)	
d) Repayments of Inter-Corporate Deposits	(50,710)		(12,850)	
e) Dividends Paid (Incl. Dividend Tax)	-		(2,040)	
f) Repayment of Car loan	(1,876)		(2,010)	
		(77,095)		(40,379)
Net Cash used in Financing Activities		53,976		(95)
<u>D. OTHERS</u>				
Unrealised gains arising from changes in foreign currency exchange rates of cash equivalents		(2,541)		3,999
equivalents -----> (A+B+C+D)		12,419		4,557
Cash and Cash equivalents at the begining of the year		16,313		11,756
Cash and Cash equivalents at the close of year		28,732		16,313

Note:

- The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 on Cash Flow Statement issued by the Institute of the Chartered Accountants of India.
- Previous year figures has been rearranged/regrouped wherever necessary.

For **RAY & RAY**
Chartered Accountants
Firm Registration Number 301072E

For and on behalf of the Board of Directors

MRINAL KANTI BANDYOPADHYAY
Partner
Membership No. 051472

B. SUBBARAYALU
Company Secretary

U.G.PATEL
Director

ABHAY KANORIA
Chairman & Managing
Director



Anglo-French Drugs & Industries Limited

No.41, 3rd Cross, V Block, Rajajinagar,

Bengaluru – 560 010

CIN: L24230KA1923PLC010205 www.afdil.com

NOTICE

NOTICE is hereby given that the 91st Annual General Meeting of Anglo-French Drugs & Industries Limited will be held on the 27th day of October 2014 at 5.00pm at Hotel Abhimaani Vasathi, #2/9, Dr.Rajkumar Road, Rajajinagar, Bengaluru 560010, to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the Audited Statements of Account of the Company for the year ended 30th June 2014 together with the reports of the Directors and the Auditors.
2. To appoint Messrs. Ray & Ray, Chartered Accountants, as Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the 92nd Annual General Meeting of the Company, (for the year 2014-2015) and to authorize the Board of Directors to fix their remuneration.

To consider and, if thought fit, to pass with or without modification the following resolution as Special Resolution.
“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, Messrs. Ray & Ray, the retiring Auditors of the Company be and are hereby re-appointed Auditors of the Company for one year, to hold office from the conclusion of this Meeting till the conclusion of the 92nd Annual General Meeting of the Company, on such remuneration and out-of-pocket expenses, as the Board of Directors may fix.”

3. To appoint Director in place of Shri. Sujay Banarji who retires by rotation and being eligible, offers himself for re-appointment.

“RESOLVED THAT Pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory notification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri.Sujay Banarji (DIN 05308958) whose period of office was liable to be determined by retirement by rotation, be and is hereby appointed as Director of the Company.

SPECIAL BUSINESS

4. **Appointment of Shri. V.B. Haribhakti, as an Independent Director.**

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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory notification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri. V.B.Haribhakti be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to the 96th Annual General Meeting of the Company to be held in the Calendar Year 2019.”

5. **Appointment of Shri. Sanatkumar Shirali, as an Independent Director.**

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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory notification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri.Sanatkumar Shirali, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to the 96th Annual General Meeting of the Company to be held in the Calendar Year 2019.”

6. **Appointment of Shri. N. Ahmedali, as an Independent Director.**

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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory notification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri. N. Ahmedali, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to the 96th Annual General Meeting of the Company to be held in the Calendar Year 2019.”

7. Appointment of Shri. U.G. Patel, as an Independent Director.

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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory notification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri. U.G.Patel, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to the 96th Annual General Meeting of the Company to be held in the Calendar Year 2019.”

8. Re-appointment of Shri. Abhay Kanoria, as Chairman & Managing Director.

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

“**RESOLVED THAT** subject to provisions of Sections 196, 197, 198, 203 read with Part II of Schedule V and other provisions, if any of the Companies Act, 2013 and approval of the members of the Company be and is hereby accorded for re-appointment of Shri. Abhay Kanoria as the Chairman & Managing Director of the Company for a period of three years from 1.4.2014 to 31.3.2017, as recommended by the Board of Directors in their meeting held on 28th April 2014 on the same terms & conditions, as was prevailing earlier, from 1st April 2014 within the permissible limit of the Act and as may be agreed between the Board of Directors and Shri. Abhay Kanoria.

- 1) Salary at the rate of Rs.2.00 lakhs per month
- 2) Rent Free furnished accommodation.
- 3) Commission at the rate of 1% of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013.
- 4) Use of office car with driver. Use of the car for private purposes to be billed by the Company to Shri. Abhay Kanoria.
- 5) Contributions to Provident Fund, Gratuity Fund, Superannuation Scheme and coverage under Personal Accident Insurance as per Rules of the Company.
- 6) Free Residential telephone excluding long distance personal calls.
- 7) Subscription fees of two clubs in India.
- 8) The re-imbusement of medical expenses for himself and family for domiciliary treatment up to a limit of Rs.15,000/- in a year and coverage under Company's MEDICLAIM policy with Insurance Company for self and family.
- 9) Leave Travel Concession for self and family once a year, in accordance with the Rules of the Company.
- 10) Earned leave as per the rules of the Company; encashment of un-availed leave at the end of the tenure.
- 11) The Cost to the Company in respect of all perquisites shall not, together with the salary and commission exceed the limits, stipulated in Part II of Section II of Schedule V to the Companies Act, 2013 as existing or as may be amended from time to time.
- 12) For the purpose of above ceiling, contributions to the Provident Fund and the Superannuation Scheme to the extent these either singly or put together are not taxable under the Income Tax Act, 1961 and encashment of un-availed leave shall not be included.
- 13) First Class Air or Air-conditioned/Executive Class Rail fares at his option for self, wife and dependent children to his home-town in India on termination of the Agreement.
- 14) The Agreement may be terminated at any time by either party giving to the other six English Calendar month's previous notice in writing.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to revise, amend, alter, vary or modify the remuneration as may be agreed by the Board Directors and Shri. Abhay Kanoria.

FURTHER RESOLVED THAT any one Director be and is hereby authorized to enter into necessary agreement on behalf of the Company with Shri. Abhay Kanoria.”

9. To Appoint a Cost Auditor for Cost Audit of Formulations and fix the Remuneration for the year 2014-15

To Consider and if thought fit to pass with or without modification the following resolution as an Ordinary resolution.

“RESOLVED THAT in accordance with Section 148(3) of the Companies Act, 2013, and subject to the approval of the Central Government, M/s Rao, Murthy & Associates, Cost Accountants, Bengaluru be appointed as Cost Auditors, appointed by the Board of Directors of the Company, to conduct the audit of Cost Accounts relating to Formulations for the Financial Year ending 31.03.2015, on such remuneration including out of pocket expenses as may be fixed by the Chairman & Managing Director.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary to give effect to this resolution.”

10. To confirm authority to Board of Directors for borrowing up to Rs.50 Crores.

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

“RESOLVED THAT, in supersession of the resolution passed in this regard at the 71st Annual General Meeting of the Company held on 30th June 1994 under section 293(1)(d) of the Companies Act, 1956, and pursuant to the provision of section 180(1) (c) of the Companies Act, 2013 consent of the Company be and is hereby accorded to the Board of Directors of the company to borrow, from time to time, any sum or sums of money (including non-fund based banking facilities) as may be required for the purpose of business of the company, from one or more Banks, financial institutions and other persons, firms, bodies corporate, whether in India or abroad, notwithstanding that the monies borrowed together with the monies already borrowed (apart from temporary Loans obtained by the Company’s bankers in the ordinary course of business) may at any time exceed the aggregate of the paid up capital of the company and its free reserves (reserves not set apart for any specific purpose) provided that the total amount that may be borrowed by the Board and outstanding at any point of time, shall not exceed the sum of Rs.50 Crores (Rupees Fifty Crores only).

RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution.”

11. To approve creation of charge/security over the Assets/undertaking of the Company in respect of the borrowings.

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

“RESOLVED THAT in supersession of the Resolution passed at the Annual General Meeting held earlier and in pursuant to the provisions of Section 180(1)(a) and the other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time consent of the Company be and is hereby given to the Board of Directors of the Company to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations, if any created by the Company on such movable and immovable properties both present and future, in such a manner as the Board may deem fit in favour of Banks, Financial Institutions, Insurance Companies, other lending investing agencies or bodies/trustees for holders of debentures/bonds which may be issued to or subscribed to by all or any of the Banks, Financial institutions, insurance Companies other lending/investing agencies or any other person(s)/bodies Corporate by way of private placement or otherwise (hereinafter collectively referred to as “Lenders”) provided that, the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said loans for which such charges, mortgages or hypothecations are created shall not exceed, at any time the limit of Rs.50 Crores (Rupees Fifty Crores only).

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all acts deeds and things to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any member of the Board.”

12. To approve moving the Company to the dissemination board of BSE

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

“RESOLVED THAT consequent upon decision of the OTC Exchange of India, to voluntarily surrender their Recognition/ Licence as per the exit policy issued by Securities and Exchange Board of India (SEBI) vide their Circular No. CIR/ MRD/DSA/14/2012 dated 30/5/2012 and subsequent letter dated 4/2/2014 issued by the OTC Exchange of India, approval of Members is hereby given that the Company be moved to the Dissemination Board after fulfilling the necessary formalities as required by OTC Exchange of India.

FURTHER RESOLVED THAT, the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution.”

Mumbai
22nd August 2014

By order of the Board

Registered Office:
No.41, 3rd cross, V Block,
Rajajinagar, Bengaluru 560 010
CIN: L24230KA1923PLC010205

B. Subbarayalu
Company Secretary

NOTES:

1. 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.
2. The quorum for the Annual General Meeting, as provided in Section 103 of the Companies Act, 2013 read with Article 84, is fifteen members, personally present in the meeting at the commencement of business.
3. The Register of Members and the Share Transfer Books of the Company will remain closed for 8 days from 20th October 2014 to 27th October 2014 both days inclusive.
4. 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.
5. Members, holding shares in physical form, may notify change in their address, by quoting Folio Number, to the Company or to the Share Transfer Agents. Those who hold shares in de-materialisation form, may notify the change in address to the Depository Participant, where such shareholder have a demat account.
6. Copies of the Annual Report 2013-14, Notice of the said Meeting, Attendance Slip, Proxy Form are being sent by electronic mode to all those members whose e-mail addresses are registered with the Company/RTA or Depository Participant for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the Annual Report 2013-14, Notice etc., are being sent by the permitted mode.
7. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 is annexed hereto.
8. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communication including Annual Report, Notices, circulars etc., from the Company in electronic mode.
9. 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. Members are requested to note that dividends not encashed or claimed within seven years and 30 days from the date of declaration of the Dividend, will, as per Section 205 A(5) read with Section 205 C of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund of Government of India. In view of this, members are advised to send all the un-encashed dividend warrants to the Company or our Registrars for revalidation and encash them before the due dates.

Statement of unclaimed Dividends for the previous years:

Financial Year	Unclaimed amountas on 30.6.2014 Amount in Rs.	Due date/ date of transfer to Investor Education and Protection Fund
2009-10	1,53,247	13.12.2017
2010-11	1,47,219	04.12.2018
2011-12	1,66,620	16.12.2019
2012-13	1,72,900	14.12.2020

10. Voting through electronic means (e-voting):

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, your Company is pleased to provide e-voting facility through National Securities Depository Limited (NSDL), to the members to exercise their right to vote at the 91st Annual General Meeting electronically on all the resolutions set forth in the Notice convening the said AGM.

Instructions relating to e-voting facility;

The Company has entered into an Agreement with National Securities Depository Limited (NSDL), for facilitating e-voting to enable the Members who wish to cast their votes electronically.

The Company has appointed Shri. R. Jayaraman, Company Secretary in Whole-time Practice or in his absence Shri.Venkatesha Bhat, Chartered Accountant, as the Scrutinizer.

The Members can opt for only one mode of voting i.e., either by physical ballot or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical postal ballot form will be treated as invalid.

- (a) Instructions in respect of e-voting to Members of the Company whose demat account/ folio number has not been registered for e-voting services of NSDL and do not have their existing user ID and Password.

- i. Open e-mail and open PDF file vide 'Anglo-French Drugs & Industries Limited e-voting pdf' with your client ID or Folio number as Password. The said pdf file contains your User ID and Password for e-voting. Please note that the password is an initial password.
 - ii. Launch Internet browser by typing the following URL: <https://www.e-voting.nsdl.com>.
 - iii. Click on shareholder "login".
 - iv. Put your User ID and password as initial password noted in Step (i) above Click login.
 - v. Password change menu appears. Change the password with the password of your choice with minimum eight digits/characters or combination thereof. Please take note of the password. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
 - vi. Home page of 'e-voting' opens. Click on 'e-voting' – Active Voting Cycles.
 - vii. Select electronic voting event number (EVEN) of Anglo-French Drugs & Industries Limited.
 - viii. Now you are ready for 'e-voting' as 'Cast Vote' page opens. Voting period commence on **18th October 2014 (9.00 AM) and ends on 20th October 2014 (6.00 PM)**. During this period shareholders' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., 19th September 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
 - ix. Cast your vote by selecting appropriate option and click on 'Submit' and also 'confirm' when prompted.
 - x. Upon confirmation, the message "Vote Cast Successfully" will be displayed.
 - xi. Once you have voted on items (Yes) of business you will not be allowed to modify your vote.
 - xii. Institutional members (ie., other than individuals, HUF, NRI etc.,) are required to send scanned copy (pdf / Jpg format) of the relevant Board Resolution/ Authority letter etc., together with the attested Specimen signature of the Authorised Signatory(ies) who are authorized to vote to the Scrutinizer through e-mail at gpvandco@gmail.com, with a copy marked to **e-voting@nsdl.co.in**.
- (b) Instructions in respect of e-voting to Members of the Company whose demat account/Folio number has already been registered for e-voting services of NSDL.
- i. Launch Internet Browser by typing the following URL: <https://www.e-voting.nsdl.com>.
 - ii. Click on shareholder "login".
 - iii. Enter your User ID and existing Password.
 - iv. Click Login.
 - v. Home page of 'e-voting' appears. Click e-voting – Active Voting Cycles.
 - vi. Select electronic voting event number (EVEN) of Anglo-French Drugs & Industries Limited., by casting your vote in favour or against the item(s) of business. (Kindly note that vote once casted cannot be modified. For an EVEN you can login any number of times on e-voting platform of NSDL till you have voted on the Resolution or till the end date of voting period i.e., upto the **close of 20th October 2014** whichever is earlier).
 - vii. Now you are ready for 'e-voting' as 'Cast Vote' page opens. Voting period commence on **18th October 2014 (9.00 AM) and ends on 20th October 2014 (6.00 PM)**. During this period shareholders' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., 19th September 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Cast your vote by selecting appropriate option and click on 'Submit' and also 'confirm' when prompted.
 - viii. Once you have voted on items (Yes) of business you will not be allowed to modify your vote.
 - ix. Institutional members (ie., other than individuals, HUF, NRI etc.,) are required to send scanned copy (pdf/ Jpg format) of the relevant Board Resolution/ Authority letter etc., together with the attested Specimen signature of the Authorised Signatory (ies) who are authorized to vote to the Scrutinizer through e-mail at gpvandco@gmail.com, with a copy marked to **e-voting@nsdl.co.in**.

Please note that:

- Login to 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 'Forgot Password' option available on the site to reset the same.
- Your Login ID and existing Password can be used by you exclusively for e-voting on the resolutions placed by the Companies in which you are the Member.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- Members can also update their mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communications.
- For any further details in this regard, you may contact:

Canbank Computer Services Ltd.

J P Royale, 1st Floor, # 218, 2nd Main, Sampige Road (Near 14th Cross), Malleswaram, Bengaluru – 560 003.
Tel. 080-2346 9661/62 & 2346 9664/65, Fax No.080-23469667,
e-mail: canbankrta@ccsl.co.in
CIN : U85110KA1994PLC016174

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013.

ITEM NO. 4

Shri.V.B. Haribhakti, (DIN 00088062) is an Independent Director of the Company whose period of office was liable to be determined by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, as per the requirement of provisions of the new Companies Act, 2013, and the rules made thereunder the Independent Directors are not liable to retire by rotation and are required to be appointed by Share holders. Therefore, it is proposed to appoint Shri. V.B.Haribhaktias an Independent Director for a term of five consecutive years up to the 96th Annual General Meeting of the Company to be held in the Calendar Year 2019. In the opinion of the Board, he fulfils the conditions specified in the Companies Act, 2013.

ITEM NO. 5

Shri.Sanantkumar Shirali, (DIN 05260386) is an Independent Director of the Company whose period of office was liable to be determined by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act,1956. However, as per the requirement of provisions of the new Companies Act, 2013, and the rules made thereunder the Independent Directors are not liable to retire by rotation and are required to be appointed by Share holders. Therefore, it is proposed to appoint Shri. Sanantkumr Shirali as an Independent Director for a term of five consecutive years up to the 96th Annual General Meeting of the Company to be held in the Calendar Year 2019. In the opinion of the Board, he fulfils the conditions specified in the Companies Act, 2013.

ITEM NO. 6

Shri. N.Ahmedali (DIN 00704341) is an Independent Director of the Company whose period of office was liable to be determined by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, as per the requirement of provisions of the new Companies Act, 2013, and the rules made thereunder the Independent Directors are not liable to retire by rotation and are required to be appointed by Share holders. Therefore, it is proposed to appoint Shri. N.Ahmedali as an Independent Director for a term of five consecutive years up to the 96th Annual General Meeting of the Company to be held in the Calendar Year 2019. In the opinion of the Board, he fulfils the conditions specified in the Companies Act, 2013.

ITEM NO. 7

Shri.U.G.Patel (DIN 00399035) is an Independent Director of the Company whose period of office was liable to be determined by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. However, as per the requirement of provisions of the new Companies Act, 2013, and the rules made thereunder the Independent Directors are not liable to retire by rotation and are required to be appointed by Share holders. Therefore, it is proposed to appoint Shri. U.G.Patel as an Independent Director for a term of five consecutive years up to the 96th Annual General Meeting of the Company to be held in the Calendar Year 2019. In the opinion of the Board, he fulfils the conditions specified in the Companies Act, 2013.

ITEM NO. 8

At the Annual General Meeting of the Company held on 21st October 2011, the remuneration payable to Shri. Abhay Kanoria, Chairman and Managing Director had been approved by the Members for three years with effect from 1st April 2011. The Board of Directors at its Meeting held on 28th April 2014 has, in accordance with the provisions of Section 196, 197, 198, 203 read with Part II of Schedule V and other provisions of the Companies Act, 2013 and on the recommendation of the Remuneration Committee accorded at its meeting held on that day, approved the appointment of and payment of remuneration to Shri.Abhay Kanoria, for a period 3 years with effect from 1st April 2014, on the same terms & conditions of the previous term, within the permissible limit of the Act and as may be agreed between the Board of Directors and Shri. Abhay Kanoria.

ITEM NO.9

The Board has approved the appointment of M/s. Rao, Murthy & Associates, Cost Accountants, Bengaluru as Cost Auditors, of the Company, to conduct the audit of Cost Accounts relating to Formulations for the Financial Year ending 31.03.2015, on such remuneration including out of pocket expenses as may be fixed by the Chairman & Managing Director.

In accordance with the provision of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution for ratification of the remuneration payable to Cost Auditors for the financial year ending 31st March 2015.

The Board accordingly recommends the resolution as set out in Item 9 of the Notice for approval of the Members.

ITEM NO.10 and 11

In terms of the provision of Section 180(1) (a) and 180 (1) (c) of the Companies Act, 2013, the Board of Directors of the Company except with the consent of the Company by a special resolution, borrow moneys apart from temporary Loans in excess of aggregate of the paid up capital and its free reserves nor the Board can create any security or create mortgage charges and hypothecations over the assets of the company which would be required to secure aforesaid borrowings.

The above section 180 of the companies Act, 2013 corresponds to section 293 of the Companies Act, 1956 under which the consent of the company was required by ordinary resolutions. Accordingly the shareholders of the Company had accorded consent by way of ordinary resolutions to the Board of Directors for borrowing money not exceeding Rs.50 crores (Rupees fifty crores) at any point of time and to create security or create mortgage and hypothecations over the assets of the company to secure such borrowings from time to time.

However, the Ministry of Corporate affairs, New Delhi vide its general circular No. 4/2014 dated 25th March 2014, has stated that such ordinary resolutions passed under the companies Act, 1956 for borrowing money in excess of the limits and to create security on the undertaking of the company shall remain valid up to one year from the commencement of the Companies Act, 2013 i.e., up to 11th September 2014.

Therefore, It is proposed to re-confirm of such borrowing power of Rs.50 crores.

None of the Directors, Key Managerial personnel or their relatives has any concern or interest, financial or otherwise in the resolution.

The Board recommends the special resolutions set out in item Nos.10 and 11 for the approval of the members.

ITEM NO. 12

Our Company is presently listed with OTC Exchange of India (OTCEI). They have sent a letter dated 4th February 2014 that, they would be going for voluntary surrender of their licence based on the exit option given by SEBI to all the Recognised Stock Exchanges as per the SEBI Circular No. CIR/MRD/DSA/14/2013 dated May 30, 2012.

OTCEI have given option to the Companies Listed with them that, the Companies can either get listed with any other Recognised Stock Exchanges or move to Dissemination Board. After discussing and deliberating on the requirement for listing the Company with other Recognised Stock Exchanges, it was confirmed that the Company does not comply to provisions as set out and hence Board of Directors recommended that the Company can move to Dissemination Board and recommends resolution set out in item No.12 for the approval of the members.

By order of the Board

Mumbai
22nd August 2014

B. Subbarayalu
Company Secretary

Registered Office:
No.41, 3rd cross, Vth Block,
Rajajinagar,
Bengaluru 560 010.
CIN: L24230KA1923PLC010205



Anglo-French Drugs & Industries Limited

No.41, 3rd Cross, V Block, Rajajinagar, Bengaluru – 560 010
CIN: L24230KA1923PLC010205 www.afdil.com

ATTENDANCE SLIP

I hereby record my presence at the Ninety First Annual General Meeting held on 27th day, of October 2014 at 5.00 PM at Hotel Abhimaani Vasathi, #2/9, Dr. Rajkumar Road, Rajajinagar, Bengaluru 560 010

Name of the Shareholder(s)
(in Capital Letters)

Name of the Proxy or Company's Representative
(in Capital Letters)

Signature of Shareholder(s) OR
Proxy or Company's Representative

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 are requested to bring their copy of the Annual Report to the Meeting as additional copies of the same will not be made available at the Meeting.

Regd.Folio No. :

* Client ID No. :

* DP ID No. :

No. of Shares held :

* Applicable for investors holding shares in electronic form.



Anglo-French Drugs & Industries Limited

No.41, 3rd Cross, V Block, Rajajinagar, Bengaluru – 560 010

CIN: L24230KA1923PLC010205

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 – 560 010
Tel No.: 080-23156757, **Fax No.**080-23389963/ 23306596,
E-mail : subbarayulu.babunaidu@afdil.com, **Website:** www.afdil.com

Name of the Member(s) :

Registered Address :

E-mail ID :

Folio No / DP ID / CLIENT ID :

I/We, being the Member(s) of equity shares of the above named Company, hereby appoint:

1.

Name :

...

Address :

...

.....

Email id : Signature :

Or failing him/her

2.

Name :

...

Address :

...

.....

Email id : Signature :

Or failing him/her

3.

Name :

...

Address :

...

.....

Email id : Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 91st Annual General Meeting of the Company, to be held on the 27th day of October 2014 at 5.00pm at Hotel Abhimaani Vasathi, #2/9, Dr. Rajkumar Road, Rajajinagar, Bengaluru 560 010, and at any adjournment thereof in respect of such resolutions as are indicated below;

Reso lution No.	Description	I assent to the resolution	I dissent to the resolution
1.	Consideration and adoption of audited financial statements for the year ended 30 th June 2014 together with the Reports of Directors and Auditors.		
2.	Appointment of statutory Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the 92 nd Annual General Meeting of the Company and to authorize the Board of Directors to fix the remuneration.		
3.	Re-Appointment of Shri. Sujay Banarji as Director who retires by rotation.		
4.	Appointment of Shri. V.B. Haribhakti, as Independent Director for a period of 5 consecutive years.		
5.	Appointment of Shri. Sanatkumar Shirali, as Independent Director for a period of 5 consecutive years.		
6.	Appointment of Shri. N. Ahmedali, as Independent Director for a period of 5 consecutive years.		
7.	Appointment of Shri.U.G.Patel as Independent Director for a period of 5 consecutive years.		
8.	Re-appointment of Shri. Abhay Kanoria, as Chairman and Managing Director, for a period of 3 years w.e.f. 1.4.2014.		
9.	To Appoint a Cost Auditor for Cost Audit of Formulations and fix the Remuneration for the year 2014-15.		
10.	To confirm authority to Board of Directors for borrowing upto Rs.50 crores.		
11.	To approve creation of charge/security over the Assets/ undertaking of the Company in respect of the borrowings.		
12.	To approve to move the Company to the dissemination Board of BSE.		

Signed this Day of 2014.

Affix Revenue Stamp

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 including details of Member(s) before submission.