



Anglo-French Drugs & Industries Limited

Corporate Identification Number (CIN): L24230KA1923PLC010205

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PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF THE EQUITY SHARES OF ANGLO-FRENCH DRUGS & INDUSTRIES LIMITED FOR THE BUY-BACK OF EQUITY SHARES ON A PROPORTIONATE BASIS THROUGH TENDER OFFER METHOD UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018, AS AMENDED

This Public Announcement (“**Public Announcement**”) is being made, in relation to the buy-back of fully paid-up equity shares having a face value of ₹ 10/- (Rupees Ten only) each (“**Equity Shares**”) by Anglo-French Drugs & Industries Limited (“**Company**”) from the existing shareholders/ beneficial owners of the Company (“**Buy-back**”) through the tender offer method using the Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy Back and Delisting (“**Stock Exchange Mechanism**”) notified by the Securities and Exchange Board of India (“**SEBI**”) vide circular bearing number CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with SEBI circular bearing number CFD/DCR2/CIR/P/2016/131 dated December 9, 2016 and SEBI circular bearing number SEBI/HO/CFD/DCRIII/CIR/P/2021/615 dated August 13, 2021 and SEBI/HO/CFD/PoD-2/P/CIR/2023/35 dated March 08, 2023 including any amendments or statutory modifications for the time being in force (“**SEBI Circulars**”) or such other circulars or notifications, as may be applicable, pursuant to the provisions of Regulation 7(i) and other applicable provisions of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, including any statutory modification(s), amendment(s) or re-enactments from time to time (hereinafter referred as “**SEBI Buy-back Regulations**”) and contains the disclosures as specified in Schedule II read with Schedule I of the SEBI Buy-back Regulations.

OFFER TO BUY-BACK UP TO 1,06,500 (ONE LAKH SIX THOUSAND FIVE HUNDRED) FULLY PAID-UP EQUITY SHARES HAVING FACE VALUE OF ₹ 10/- (RUPEES TEN ONLY) EACH OF THE COMPANY (“EQUITY SHARES”) AT A PRICE OF RS. 4,000/- (RUPEES FOUR THOUSAND ONLY) PER EQUITY SHARE, PAYABLE IN CASH, FOR AN AGGREGATE AMOUNT NOT EXCEEDING RS. 42,60,00,000/- (RUPEES FORTY TWO CRORE SIXTY LAKH ONLY) EXCLUDING ANY ON A PROPORTIONATE BASIS FROM ALL THE EQUITY SHAREHOLDERS / BENEFICIAL OWNERS OF THE EQUITY SHARES OF THE COMPANY THROUGH THE TENDER OFFER METHOD USING THE STOCK EXCHANGE MECHANISM.

Certain figures contained in this Public Announcement, including financial information, have been subject to rounding-off adjustments. All decimals have been rounded off to 2 (two) decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column row in certain tables may not conform exactly to the total figure given for that column or row.

1. DETAILS OF THE BUY-BACK OFFER AND BUY-BACK PRICE

- 1.1. The Board of Directors of the Company (hereinafter referred to as “**Board**”, which expression shall include any committee constituted and authorized by the Board to exercise its powers) at its meeting held on Monday, July 29, 2024 (“**Board Meeting Date**”) and the special resolution dated August 21, 2024 passed by the shareholders of the Company at the general meeting, the results of which were declared on Wednesday, August 21, 2024, and subject to such other approvals of statutory and/or regulatory authorities as may be required under applicable laws, approved the proposal for the buy-back of up to 1,06,500 (One Lakh Six Thousand Five Hundred) Equity Shares (“**Maximum Buy-back Shares**”) on a proportionate basis through the tender offer method through the Stock Exchange Mechanism, in accordance with the provisions of the SEBI Buy-back Regulations, the Companies Act, 2013, as amended

(“**Companies Act**”) and the rules made thereunder including the Companies (Share Capital and Debentures) Rules, 2014 (“**Share Capital Rules**”) and the Companies (Management and Administration Rules, 2014, as amended, (“**Management Rules**”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI (LODR) Regulations**”) to the extent applicable and SEBI Circulars or notifications, including any amendments thereof, at a price of Rs. 4,000/- (Rupees Four Thousand only) per Equity Share (“**Buy-back Price**”), payable in cash, for an aggregate amount not exceeding Rs. 42,60,00,000/- (Rupees Forty Two Crore Sixty Lakh only) (“**Buy-back Size**”) excluding the applicable taxes under Income Tax Act, 1961 such as Buy-back tax and any expenses incurred or to be incurred for the Buy-back, brokerage, costs, fees, turnover charges, securities transaction tax and goods and services tax (if any), stamp duty, advisors fees, filing fees to SEBI, Stock Exchange charges, printing and dispatch expenses and other incidental and related expenses and charges (“**Transaction Costs**”).

- 1.2. The Buy-back is in accordance with Article X of the Articles of Association of the Company, Sections 68, 69, 70, 108, 100 and all other applicable provisions, if any, of the Companies Act, and rules framed thereunder, including the Share Capital Rules and the Management Rules, to the extent applicable, the SEBI (LODR) Regulations, the SEBI Buy-back Regulations read with SEBI Circulars or notifications, as may be applicable, including any amendment thereof, subject to such other approvals, permissions, consents, exemptions and sanctions, as may be necessary and subject to any modifications and conditions, if any, as may be prescribed by SEBI, Registrar of Companies, Bangalore (“**RoC**”), Stock Exchange, banks, financial institutions and/ or other authorities, institutions or bodies/entities, as may be necessary, and subject to completion of such formalities, conditions and modifications as may be prescribed or imposed while granting such approvals, permissions, sanctions and exemptions, which may be agreed by the Board.
- 1.3. The Buy-back Size represents 25% of the aggregate of the total paid-up capital and free reserves of the Company based on the audited financial statements of the Company as on March 31, 2024 (being the latest audited financial statements available as on the Board Meeting Date), and is within the limit of 25% of the aggregate of the total paid-up capital and free reserves of the Company based on the audited financial statements of the Company, in compliance with Section 68(2)(b) of the Companies Act and Regulation 5(i)(b) of SEBI Buy-back Regulations and the Maximum Buy-back Shares represents 8.63% of the total number of Equity Shares of the existing total paid-up equity capital of the Company as on March 31, 2024, which is within the limit of 25% as per the provisions of the SEBI Buy-back Regulations.
- 1.4. The Equity Shares are listed only on Metropolitan Stock Exchange of India Limited, Mumbai (“**MSEI**” or “**Stock Exchange**”).
- 1.5. The Buy-back shall be undertaken on a proportionate basis from all the equity shareholders/ beneficial owners of the Company, including the promoters, members of the promoter group and persons in control of the Company, who hold Equity Shares as on Tuesday, September 3, 2024 (“**Record Date**”) (such shareholders being the “**Eligible Shareholders**”) through the tender offer route prescribed under Regulation 4(iv)(a) and Regulation 6 of the SEBI Buy-back Regulations and shall be implemented using the Stock Exchange Mechanism as specified by SEBI in accordance with the SEBI Circulars. In this regard, the Company will request BSE Limited (“**BSE**”) to provide the acquisition window for facilitating tendering of Equity Shares under the Buy-back and for the purposes of this Buy-back, BSE will be the designated stock exchange.
- 1.6. In terms of the SEBI Buy-back Regulations, under the tender offer route, the promoters, members of the promoter group and persons in control of the Company have an option to participate in the Buy-back. In this regard, Abhay Kanoria Family Trust, represented by Mr. Abhay Kanoria, Trustee and Ninaad Finance and Properties Pvt Limited*, Promoters of the Company have expressed their intention to participate in the Buy-back vide their letter dated July 24, 2024 and may tender, based on its entitlement, up to a maximum of 8,01,364 (Eight Lakh One Thousand Three Hundred and Sixty Four) Equity Shares or such lower number of Equity Shares, in accordance with the provisions of the SEBI Buy-back Regulations.
**Ninaad Finance and Properties Pvt Limited has been merged with Broach Textile Mills Limited vide NCLT Order dated June 12, 2024. As per latest Beneficiary position data available with the Company, the name appears as Ninaad Finance and Properties Pvt Limited. However, the name change is under process with the concerned authorities.*

- 1.7. The Buy-back will not result in any benefit to the promoters, members of the promoter group and persons in control of the Company or any Directors of the Company except to the extent of the cash consideration received by them from the Company pursuant to their respective participation in the Buy-back in their capacity as equity shareholders of the Company and the change in their shareholding as per the response received in the Buy-back, as a result of the extinguishment of equity shares which will lead to reduction in the equity share capital of the company post Buy-back. The Buy-back would be subject to the condition of maintaining Minimum Public Shareholding requirements as specified in Regulation 38 of SEBI (LODR) Regulations, 2015, as amended. Any change in the Voting Rights of the Promoters of the Company pursuant to completion of Buy-back will not result in any change in control over the Company.
- 1.8. Participation in the Buy-back by eligible Shareholders may trigger tax on distributed income to such shareholders ("**Buy-back Tax**") in India and such tax is to be discharged by the Company as per the procedure laid down in the applicable provisions of the Income Tax Act, 1961 read with applicable rules framed thereunder. The transaction of the Buy-back would also be chargeable to securities transaction tax in India. Any consideration received by Eligible Shareholders pursuant to the Buy-back of shares will not be included in the total taxable income of such shareholders. Participation in the Buy-back by the Non-Resident eligible shareholders may trigger capital gains tax in the hands of such Shareholders in their country of residence. However, in view of the particular nature of tax consequences, the eligible shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buy-back.
- 1.9. A copy of this Public Announcement is available on the Company's website at www.afdil.com, Manager to the Buy-back's website at www.saffronadvisor.com and is expected to be available on the website of the SEBI at www.sebi.gov.in and on the website of the Stock Exchange at www.mseil.in, during the period of the Buy-back.

2. NECESSITY FOR THE BUY BACK

The Buy-back is being undertaken by the Company for returning surplus funds to the members in an expedient, effective and efficient manner, after taking into account the strategic and operational cash requirements of the Company in the medium term. The Buy-back will help the Company to achieve, *inter-alia*, the following objectives: a) Improve the valuation of the Company and fair valuation of the share price, b) Enhancing the overall return to shareholders in the long run, c) Creating long term value for shareholders, d) Improving the fundamental ratios of the Company and e) Exit option to shareholders particularly small shareholders at a premium over market price.

The Buy-back would also help in improving financial ratios like earnings per share and return on equity, by reducing the equity base of the Company and will not in any manner impair the ability of the Company to pursue growth opportunities or meet its cash requirements for business operations.

3. MAXIMUM NUMBER OF SECURITIES THAT THE COMPANY PROPOSES TO BUY-BACK

The Company proposes to buy-back up to 1,06,500 (One Lakh Six Thousand Five Hundred) Equity Shares of the Company (representing 8.63% of the total number of Equity Shares of the existing total paid-up equity capital of the Company as on March 31, 2024).

4. MAXIMUM AMOUNT REQUIRED FOR THE BUY-BACK AND ITS PERCENTAGE OF THE TOTAL PAID UP EQUITY SHARE CAPITAL AND FREE RESERVES AND SOURCES OF FUNDS FROM WHICH BUY-BACK WOULD BE FINANCED

- 4.1. The maximum amount required for the Buy-back will not exceed ₹ 42,60,00,000/- (Rupees Forty Two Crore Sixty Lakh only) ("**Buy-back Size**"), excluding Transaction Costs.
- 4.2. The maximum amount aforesaid represent 25% of the aggregate of the total paid-up capital and free reserves of the Company based on the audited financial statements of the company as at March 31, 2024 (being the latest audited financial statements available at the Board Meeting Date) and does not exceed 25%, which is in compliance with Section 68(2)(b) of the Companies Act and Regulation 5(i)(b) of the SEBI Buy-back Regulations.

- 4.3. The funds for the implementation of the Buy-back (including the Transaction Costs) will be sourced out of free reserves of the Company and/or such other source as may be permitted by the SEBI Buy-back Regulations or the Companies Act.
- 4.4. The Company shall transfer from its free reserves, a sum equal to the nominal value of the Equity Shares so bought back to the Capital Redemption Reserve Account, and details of such transfer shall be disclosed in its subsequent audited financial statements.
- 4.5. The funds borrowed, if any, from banks and financial institutions will not be used for the Buy-back.

5. BUY-BACK PRICE AND THE BASIS OF ARRIVING AT THE BUY-BACK PRICE

- 5.1. The Equity Shares of the Company are proposed to be bought back at a price of ₹ 4,000/- (Rupees Four Thousand only) ("**Buy-back Price**") per Equity Share.
- 5.2. Equity shares of the Company have not been traded on MSEI for last three financial years. Hence the Buy-back Price has been arrived at after considering various other factors such as Networth of the Company, Book Value, and the impact on the earning per Equity Share.
- 5.3. The Buy-back Price represents a premium of 188.70% over the Book Value per Equity Share, based on the Networth of the Company basis of audited financial statements of the Company as on March 31, 2024.
- 5.4. There was no trading in the Equity Shares of the Company on MSEI, the only stock exchange where the Equity Shares of the Company are listed, during the last twelve months preceding the Board Meeting Date and on the Board Meeting Date i.e., July 29, 2024. (Source: www.msei.in)
- 5.5. As required under Section 68(2)(d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company will not be more than twice the paid-up capital and free reserves after the Buy-back, based on audited financial statements of the Company as on March 31, 2024.

6. DETAILS OF THE SHAREHOLDING AND TRANSACTIONS IN THE EQUITY SHARES OF THE COMPANY

- 6.1. The aggregate shareholding in the Company of (i) promoters, members of the promoter group ("**Promoter Group**") and persons in control of the Company; (ii) the directors/partners/trustees of the Promoter Group; and (iii) directors and key managerial personnel of the Company as on the Board Meeting Date i.e., Monday, July 29, 2024, and on the date of the Public Announcement.

(i) Aggregate shareholding of the Promoter Group and persons in control of the Company is given below:

| S. No. | Name of the Shareholder | No. of Equity Shares held | % of Shareholding |
|--------|---|---------------------------|-------------------|
| 1. | Abhay Kanoria Family Trust Represented by Mr. Abhay Kanoria, Trustee | 6,72,364 | 54.51 |
| 2. | Ninaad Finance and Properties Pvt Limited* | 1,29,000 | 10.46 |
| 3. | Binod Kumar Kanoria (HUF) | 200 | 0.02 |
| 4. | Prabhadevi Kanoria [#] | 3,450 | 0.28 |
| | TOTAL | 8,05,014 | 65.27 |

*Ninaad Finance and Properties Pvt Limited has been merged with Broach Textile Mills Limited vide NCLT Order dated June 12, 2024. As per latest Beneficiary position data available with the Company, the name appears as Ninaad Finance and Properties Pvt Limited. However, the name change is under process with the concerned authorities.

[#]Prabhadevi Kanoria deceased on June 10, 2023 and Mr. Abhay Kanoria S/o Ms. Prabhadevi Kanoria is her legal successor. Transmission of shares to Mr. Abhay Kanoria is under process.

(ii) Aggregate shareholding of the directors/partners/trustees of the Promoter Group of the company, is given below:

| S. No. | Name of the Shareholder | No. of Equity Shares held | % of Shareholding |
|--------|------------------------------|---------------------------|-------------------|
| 1. | Atmaram Damodarprasad Sharma | 1,460 | 0.11 |
| 2. | Rajanarayanan Venkataraman | Nil | Nil |
| | TOTAL | 1,460 | 0.11 |

(iii) Aggregate Shareholding of the directors and key managerial personnel of the Company: Mr. Rohit Choraria, Independent Director of the Company holds 450 equity shares. Except to his holdings, none of the directors and key managerial personnel of the Company hold any Equity Shares as on the Board Meeting Date i.e., Monday, July 29, 2024 and on the date of the Public Announcement.

6.2. Aggregate number of Equity Shares purchased or sold by the Promoter Group, persons in control of the Company, directors/partners/trustees of the Promoter Group of the Company and directors and key managerial personnel of the Company, during a period of six months preceding the Board Meeting Date Monday, July 29, 2024 and the date of the Public Announcement:

| Name of the Shareholder | No. of Shares acquired/(sold) | Nature of Transaction | Maximum Price (₹) | Date of Maximum Price | Minimum Price (₹) | Date of Minimum Price |
|---|-------------------------------|-----------------------|-------------------|-----------------------|-------------------|-----------------------|
| Abhay Kanoria Family Trust, Represented by Mr. Abhay Kanoria, Trustee | 400 | Off Market | 1,600 | June 14, 2024 | 1,600 | June 14, 2024 |

7. INTENTION OF THE PROMOTERS, MEMBERS OF THE PROMOTER GROUP AND PERSONS IN CONTROL OF THE COMPANY TO TENDER THEIR EQUITY SHARES IN THE BUY-BACK

7.1. In terms of the SEBI Buy-back Regulations, under the tender offer route, the promoters, members of the promoter group and persons in control of the Company have an option to participate in the Buy-back. In this regard, Abhay Kanoria Family Trust, represented by Mr. Abhay Kanoria, Trustee and Ninaad Finance and Properties Pvt Limited*, Promoters of the Company have expressed their intention to participate in the Buy-back vide its letter dated July 24, 2024 and may tender, based on its entitlement, up to a maximum of 8,01,364 (Eight Lakh One Thousand Three Hundred and Sixty Four) Equity Shares or such lower number of Equity Shares, in accordance with the provisions of the SEBI Buy-back Regulations.

| Sr. No | Name of the Promoter/Promoter Group | Maximum Number of Equity Shares intended to be offered in the Buyback |
|--------------|---|---|
| 1 | Abhay Kanoria Family Trust, represented by Mr. Abhay Kanoria, Trustee | 6,72,364 |
| 2 | Ninaad Finance and Properties Pvt Limited* | 1,29,000 |
| Total | | 8,01,364 |

*Ninaad Finance and Properties Pvt Limited has been merged with Broach Textile Mills Limited vide NCLT Order dated June 12, 2024. As per latest Beneficiary position data available with the Company, the name appears as Ninaad Finance and Properties Pvt Limited. However, the name change is under process with the concerned authorities.

7.2. The details of the date and price of acquisition/ sale of the Equity Shares by Abhay Kanoria Family Trust, represented by Mr. Abhay Kanoria, Trustee and Ninaad Finance and Properties Pvt Limited* who intend to participate in the Buyback are set out below:

Abhay Kanoria Family Trust, represented by Mr. Abhay Kanoria, Trustee

| Date of Transaction | Nature of Transaction | No. of Shares acquired/(sold) | Face Value (₹) | Acquisition Price (₹) | Transaction Value (₹) | Cumulative No. of Shares |
|---------------------|-----------------------|-------------------------------|----------------|-----------------------|-----------------------|--------------------------|
| August 02, 2012 | Off-Market Purchase | 220 | 10 | 30 | 6,600 | 220 |
| May 03, 2013 | Off-Market Purchase | 50 | 10 | 35 | 1,750 | 270 |
| June 17, 2013 | Off-Market Purchase | 2,52,175 | 10 | 35 | 88,26,125 | 2,52,445 |
| June 17, 2013 | Gift | 1,500 | 10 | - | - | 2,53,945 |

| | | | | | | |
|--------------------|---------------------|----------|----|-------|-------------|-----------------|
| June 20, 2013 | Gift | 2,280 | 10 | - | - | 2,56,225 |
| July 19, 2013 | Gift | 2,650 | 10 | - | - | 2,58,875 |
| March 10, 2014 | Off-Market Purchase | 100 | 10 | 30 | 3,000 | 2,58,975 |
| January 06, 2015 | Off-Market Purchase | 50 | 10 | 30 | 1,500 | 2,59,025 |
| September 22, 2015 | Off-Market Purchase | 89,800 | 10 | 30 | 26,94,000 | 3,48,825 |
| November 16, 2015 | Off-Market Purchase | 30 | 10 | 35 | 1,050 | 3,48,855 |
| December 02, 2015 | Off-Market Purchase | 260 | 10 | 35 | 9,100 | 3,49,115 |
| December 11, 2015 | Off-Market Purchase | 50 | 10 | 35 | 1,750 | 3,49,165 |
| December 23, 2015 | Off-Market Purchase | 260 | 10 | 35 | 9,100 | 3,49,425 |
| January 18, 2016 | Off-Market Purchase | 200 | 10 | 35 | 7,000 | 3,49,625 |
| January 25, 2016 | Off-Market Purchase | 100 | 10 | 35 | 3,500 | 3,49,725 |
| March 21, 2016 | Off-Market Purchase | 50 | 10 | 35 | 1,750 | 3,49,775 |
| November 03, 2016 | Gift | 3,51,970 | 10 | - | - | 7,01,745 |
| May 03, 2019 | Off-Market Purchase | 200 | 10 | 40 | 8,000 | 7,01,945 |
| July 31, 2019 | Off-Market Purchase | 260 | 10 | 40 | 10,400 | 7,02,205 |
| April 17, 2023 | Off-Market Purchase | 800 | 10 | 180 | 1,44,000 | 7,03,005 |
| August 14, 2023 | Sale - Buyback | 31,471 | 10 | 3,100 | 9,76,60,100 | 6,71,534 |
| September 27, 2023 | Off-Market Purchase | 100 | 10 | 1,600 | 1,60,000 | 6,71,634 |
| December 28, 2023 | Off-Market Purchase | 330 | 10 | 1,600 | 5,28,000 | 6,71,964 |
| June 14, 2024 | Off-Market Purchase | 400 | 10 | 1,600 | 6,40,000 | 6,72,364 |
| Total | | | | | | 6,72,364 |

Ninaad Finance and Properties Pvt Limited*

| Date of Transaction | Nature of Transaction | No. of Shares acquired/(sold) | Face Value (₹) | Acquisition Price (₹) | Transaction Value (₹) | Cumulative No. of Shares |
|---------------------|------------------------|-------------------------------|----------------|-----------------------|-----------------------|--------------------------|
| November 10, 2020 | Preferential Allotment | 1,29,000 | 10 | 180 | 2,32,20,000 | 1,29,000 |
| Total | | | | | | 1,29,000 |

**Ninaad Finance and Properties Pvt Limited has been merged with Broach Textile Mills Limited vide NCLT Order dated June 12, 2024. As per latest Beneficiary position data available with the Company, the name appears as Ninaad Finance and Properties Pvt Limited. However, the name change is under process with the concerned authorities.*

7.3. The Buy-back will not result in any benefit to the promoters, members of the promoter group and persons in control of the Company or any Directors of the Company except to the extent of the cash consideration received by them from the Company pursuant to their respective participation in the Buy-back in their

capacity as equity shareholders of the Company and the change in their shareholding as per the response received in the Buy-back, as a result of the extinguishment of equity shares which will lead to reduction in the equity share capital of the company post Buy-back. The Buy-back would be subject to the condition of maintaining Minimum Public Shareholding requirements as specified in Regulation 38 of SEBI (LODR) Regulations, 2015, as amended. Any change in the Voting Rights of the Promoters of the Company pursuant to completion of Buy-back will not result in any change in control over the Company.

8. NO DEFAULTS

The Company confirms that there are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or payment of interest thereon or redemption of Preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or Banking company.

9. CONFIRMATIONS FROM THE COMPANY AS PER THE PROVISIONS OF THE SEBI BUY-BACK REGULATIONS AND THE COMPANIES ACT

- i. All the equity shares for Buy-back are fully paid-up ;
- ii. The Company shall not issue any Equity Shares or other securities from the date of this resolution including by way of bonus issue till the expiry of the Buy-Back period i.e. date on which the payment of consideration to shareholders who have accepted the Buy-Back is made in accordance with the Companies Act and the SEBI Buy Back Regulations;
- iii. The Company, as per the provisions of Section 68(8) of the Companies Act, shall not make any further issue of the same kind of Equity Shares or other securities including allotment of new equity shares under Section 62(1)(a) or other specified securities within a period of 6 (six) months after the completion of the Buy-back except by way of bonus shares or Equity Shares issued in order to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;
- iv. Unless otherwise as may be specifically permitted under any relaxation circular issued by SEBI, as per Regulation 24(i)(f) of the SEBI Buy-back Regulations, the Company shall not raise further capital for a period of one year from the expiry of the buyback period i.e. the date on which the payment of consideration to shareholders who have accepted the buyback offer is made except in discharge of subsisting obligations;
- v. The Company shall not Buy-back locked-in Equity Shares and non-transferable Equity Shares till the pendency of the lock-in or till the Equity Shares become transferable;
- vi. The Company shall not Buy-back its shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buy-back;
- vii. The Buy-back Size i.e., ₹ 42,60,00,000/- (Rupees Forty-Two Crores Sixty Lakhs Only) does not exceed 25% of the aggregate of the fully paid-up Equity Share Capital and Free Reserves of the Company as per latest audited financial statements of the Company for the financial year ended March 31, 2024;
- viii. The Company is in compliance with the provisions of Sections 92, 123, 127 and 129 of the Companies Act;
- ix. The Company shall not withdraw the Buy-back after the Public Announcement of the Buyback is made;
- x. The Company shall not make any offer of Buy-back within a period of one year reckoned from the expiry of the Buyback Period i.e., the date on which the payment of consideration is made to the shareholders who have accepted the Buy-back;
- xi. The Company shall earmark and make arrangements for adequate sources of funds for the purpose of the Buy-back in accordance with the SEBI Buy-back Regulations;
- xii. There are no pending schemes of amalgamation or compromise or arrangement pursuant to the Companies Act ("Scheme") involving the Company, and no public announcement of the Buy-Back shall be made during pendency of any such Scheme;
- xiii. As required under Section 68(2)(d) of the Companies Act and the SEBI Buy-back Regulations, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up Equity Share Capital and Free Reserves after the Buyback, on the basis of latest audited financial statements of the Company as on March 31, 2024;
- xiv. As per Clause (ix) of Schedule I of SEBI Buy-back Regulations, there are no defaults subsisting in the repayment of deposits accepted either before or after the commencement of the Companies Act, interest payment thereon, redemption of debentures or interest thereon or redemption of preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable thereon to

- any financial institution or banks;
- xv. The Company shall not directly or indirectly facilitate the Buy-back:
- through any subsidiary company including its own subsidiary companies, if any; or
 - through any investment company or group of investment companies
- xvi. The Equity Shares bought back by the Company will be extinguished and physically destroyed in the manner prescribed under the SEBI Buy-back Regulations and the Companies Act within 7 (seven) working days of the expiry of the Buy-back period, i.e., the date on which the payment of consideration is made to the shareholders who have accepted the Buy-back;
- xvii. The consideration for the Buy-back shall be paid only by way of cash;
- xviii. That the maximum number of equity shares proposed to be purchased under the Buy-back shall not exceed 25% of the total number of fully paid-up Equity Shares in the paid-up Equity Share Capital of the Company as per the latest audited financial statement of the Company as on March 31, 2024;
- xix. The Company shall not allow buy-back of its shares unless the consequent reduction of its share capital is affected;
- xx. The Company shall not utilize any funds borrowed from banks and financial institutions in fulfilling its obligation under the Buy-back;
- xxi. The Company shall not buy-back its shares or other specified securities so as to delist its shares or other specified securities from the stock exchanges as per Regulation 4(v) of SEBI Buy-back Regulations;
- xxii. As per Regulation 24(i)(e) of the SEBI Buy-back Regulations, the promoters and their associates, shall not deal in the Equity Shares or other specified securities of the Company either through the stock exchanges or off market transactions (including inter-se transfer of Equity Shares among the promoters and members of the promoter group) from the date of passing the resolution of Board of Directors or the special resolution till the closing of the Buy-back offer, other than participation in the Buy-back offer;
- xxiii. The statements contained in all the relevant documents in relation to the Buy-back shall be true, material and factual and shall not contain any mis-statements or misleading information;
- xxiv. The Company shall comply with the statutory and regulatory timelines in respect of the Buy-back in such manner as prescribed under the Companies Act and/or the SEBI Buy-back Regulations and any other applicable laws;
- xxv. The Buy-back would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the SEBI Listing Regulations and under the Securities Contracts (Regulation) Rules, 1957, as amended;
- xxvi. The Company shall transfer from its free reserves or securities premium account, a sum equal to the nominal value of the Equity Shares bought back through the Buy-back to the Capital Redemption Reserve account and the details of such transfer shall be disclosed in its subsequent audited financial statements;
- xxvii. Covenants in relation to our financing arrangements / borrowings with banks, financial institutions and other entities ("**Lenders**") are not being breached pursuant to the Buy-back and accordingly the prior consent of the Lender(s) of the Company, as required Regulation 5(i)(c) and Schedule I (xii) of the SEBI Buy-back Regulations, is not applicable.

10. CONFIRMATIONS FROM THE BOARD OF DIRECTORS OF THE COMPANY

As required by clause (x) of schedule I in accordance with Regulation 5(iv)(b) of the SEBI Buy-back Regulations, the Board hereby confirms that it has made a full enquiry into the affairs and prospects of the Company and after taking into account the financial position of the Company including the projections and also considering all contingent liabilities, has formed an opinion that:

- immediately following the date of the Board Meeting i.e. July 29, 2024 ("**Board Resolution**") and the date on which the result of the member resolution in the extra-ordinary general meeting of the Company with regard to the proposed Buy-back are declared i.e. August 21, 2024 ("**Shareholders Resolution**"), there will be no grounds on which the Company can be found unable to pay its debts;
- as regards its prospects for the year immediately following the date of the Board meeting as well as for the year immediately following the Shareholders Resolution and having regard to their intentions with respect to the management of the company's business during that year and to the amount and character of the financial re-sources which will in their view be available to the company during that year, the company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board meeting as also from the date of Shareholders Resolution; and
- In forming the opinion for the above purposes, the Board of directors has taken into account the liabilities as if the company were being wound up under the provisions of the Companies Act, 1956 (to

the extent applicable) and the Companies Act 2013 or the Insolvency and Bankruptcy Code 2016, as amended (including prospective and contingent liabilities);

11. REPORT BY THE COMPANY'S STATUTORY AUDITOR

The text of the report dated July 29, 2024 received from M/s. KAMG & Associates, Chartered Accountants, the Statutory Auditor of the Company ("**Auditor's Report**") addressed to the Board is reproduced below:

Quote

INDEPENDENT AUDITOR'S REPORT ON THE PROPOSED BUY-BACK OF EQUITY SHARES PURSUANT TO THE REQUIREMENTS OF SECTION 68 AND SECTION 70 OF THE COMPANIES ACT, 2013 AND CLAUSE (XI) OF SCHEDULE I OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY-BACK OF SECURITIES) REGULATIONS, 2018 AS AMENDED

To
The Board of Directors,
Anglo-French Drugs & Industries Limited,
Plot No.4, Phase-II, Peenya Industrial Area,
Peenya, Bangalore- 560058.

Dear Sir/ Madam,

Re: Statutory Auditor's Report in respect of proposed buy-back of equity shares by Anglo-French Drugs & Industries Limited ("Company") pursuant to the requirements of the Companies Act, 2013 ("Companies Act") and Clause (xi) of Schedule I of the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended ("SEBI Buy-back Regulations")

1. This Report is issued in accordance with the terms of our engagement letter dated July 27, 2024 with Anglo-French Drugs & Industries Limited ("**Company**").
2. The Board of Directors of the Company have approved a proposal for buy-back of Equity Shares by the Company at its Meeting held on July 29, 2024, in pursuance of the provisions of Sections 68, 69 and 70 of the Act and the SEBI Buy-back Regulations.
3. We have been requested by the Management of the Company to provide a report on the accompanying Statement of Permissible Capital Payment for the buy-back of equity shares ("**Annexure A**") (hereinafter referred to as the "**Statement**"). This Statement has been prepared by the Management, which we have initiated for the purposes of identification only.

Board of Directors Responsibility:

4. The preparation of the Statement, in compliance with Section 68(2)(c) of the Companies Act and proviso to Regulation 5(i)(b) of the SEBI Buy-back Regulations and compliance with the SEBI Buy-back Regulations, is the responsibility of the Management of the Company, including the computation of the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
5. The Board of Directors are responsible to make a full inquiry into the affairs and prospects of the Company and to form an opinion that the Company will be able to pay its debts from the date of Board meeting approving the buy-back of its equity shares i.e. July 29, 2024 (hereinafter referred as "**Board Meeting Date**") and will not be rendered insolvent within a period of one year from the Board Meeting Date at which the proposal for buy-back of equity shares was approved by the Board of Directors of the Company and the date on which the result of member resolution in the ensuing extra-ordinary general meeting with regard to the proposed buy-back are declared ("**Shareholders Resolution**") and informing the opinion, it has taken into account the liabilities (including prospective and contingent liabilities) as if

the Company were being wound up under the provisions of the Companies Act or the Insolvency and Bankruptcy Code 2016. As the SEBI Buy-Back Regulations and the Companies Act do not define the term "insolvent", the Company has applied the guidance provided in paragraphs 25 and 26 of Ind AS 1, Presentation of Financial Statements, which relate to the assessment of the Company's ability to continue as a going concern for a period of one year from July 29, 2024.

6. The Management of the Company is also responsible for ensuring that the Company complies with the requirements of the SEBI Buy-back Regulations and the Companies Act.

Auditor's Responsibility:

7. Pursuant to the requirements of the SEBI Buy-back Regulations, it is our responsibility to provide a reasonable assurance that:
 - (i) we have inquired into the state of affairs of the Company in relation to the annual audited financial statements for the year ended March 31, 2024;
 - (ii) the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the annual audited financial statements for the year ended March 31, 2024 in accordance with Section 68(2)(c) of the Act and proviso to Regulation 5(i)(b) of the SEBI Buy-back Regulations; and
 - (iii) the Board of Directors of the Company, in their Meeting held on July 29, 2024 have formed the opinion as specified in Clause (x) of Schedule I to the SEBI Buy-back Regulations, on reasonable grounds and that the Company will not, having regard to its state of affairs, be rendered insolvent (as defined in the Management Responsibility clause above) within a period of one year from the aforesaid date with regard to the proposed buy-back are declared.
8. The annual financial statements referred to in paragraph 7 above, have been audited by us, on which we have issued an unmodified audit opinion in our report dated 28th May, 2024. We conducted our audit of the annual financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.
9. Our engagement involves performing procedures to obtain sufficient appropriate evidence on the above reporting. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the above reporting. We accordingly performed the following procedures:
 - (i) Examined that the amount of permissible capital payment for the buy-back as detailed in Annexure A is in accordance with the Section 68(2)(c) of the Act and proviso to Regulation 5(i)(b) of the SEBI Buy-back Regulations; and
 - (ii) Inquired into the state of affairs of the Company with reference to the audited financial statements as at March 31, 2024;
 - (iii) Traced the amounts of paid-up equity share capital, retained earnings and general reserves as mentioned in Annexure A from the audited financial statements as at March 31, 2024;
 - (iv) Verified the arithmetical accuracy of the amounts mentioned in **Annexure A**;
 - (v) Examined authorization for buy-back from the Articles of Association of the Company, approved by Board of Directors in its meeting held on July 29, 2024;
 - (vi) Examined that the ratio of the aggregate of secured and unsecured debts owed by the Company after the Buy-back shall not be more than twice its paid-up capital and free reserves based on the audited financial statements of the Company as on March 31, 2024;
 - (vii) Examined that all shares for buy-back are fully paid-up;
 - (viii) Examined Director's declarations for the purpose of buy-back and solvency of the Company; and
 - (ix) Inquired if the Board of Directors, in its meeting held on July 29, 2024, has formed the opinion as specified in Clause (x) of Schedule I to the SEBI Buy-back Regulations, on reasonable grounds that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the Board Meeting Date.
 - (x) Obtained necessary representations from the management of the Company;
10. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of

India (the "Guidance Note") and Standards on Auditing specified under Section 143(10) of the Act, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

11. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Buy-back.
12. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Opinion:

13. Based on inquiries conducted and our examination as above, we report that:
 - i. We have inquired into the state of affairs of the Company in relation to its annual audited financial statements for the year ended March 31, 2024.
 - ii. The amount of permissible capital payment towards the proposed buy-back of equity shares as computed in the Statement attached herewith, as Annexure A, in our view has been properly determined in accordance with Section 68(2)(c) of the Act and proviso to Regulation 5(i)(b) of SEBI Buy-back Regulation.
 - iii. The Board of Directors of the Company, at their meeting held on July 29, 2024 have formed their opinion as specified in clause (x) of Schedule I to the SEBI Buy-back Regulations, on reasonable grounds and that the Company having regard to its state of affairs, will not be rendered insolvent (as defined in management responsibility above) within a period of one year from the aforesaid date i.e. July 29, 2024.
14. Based on the representations made by the management, and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

Restriction on use:

15. This report has been issued at the request of the Company solely for use of the Company (i) in connection with the proposed buy-back of equity shares of the Company as mentioned in paragraph 7 above, (ii) to enable the Board of Directors of the Company to include in the public announcement and other documents pertaining to buy-back to be filed with (a) the Registrar of Companies, Securities and Exchange Board of India, Stock Exchanges, and any other regulatory authority as per applicable law; and (b) the Central Depository Services (India) Limited, National Securities Depository Limited; and (c) can be shared with the Merchant Bankers in connection with the proposed buy-back of equity shares of the Company for onward submission to relevant authorities in pursuance to the provisions of Section 68 and other applicable provisions of the Act and the SEBI Buy-back Regulations, and may not be suitable for any other purpose. This report should not be used for any other purpose without our prior written consent.

Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **KAMG & Associates**
Chartered Accountants
(Firm Registration No. 311027E)

Sd/-
Amitabha Niyogi
Partner
(Membership No. 056720)
UDIN: 24056720BKHXEZ6122

Place: Kolkata
Date: July 29, 2024

Annexure A

STATEMENT OF PERMISSIBLE CAPITAL PAYMENT FOR THE BUY-BACK OF EQUITY SHARES

Computation of amount of permissible capital payment towards buy-back of equity shares in accordance with Section 68(2)(c) of the Companies Act, 2013 ("**Companies Act**") and proviso to Regulation 5(i)(b) of Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018, as amended, based on annual audited financial statements as at and for the year ended March 31, 2024.

| Particulars | Amount (₹ in Lakhs) |
|---|--------------------------------|
| (A) Paid up Equity Share Capital as on March 31, 2024 (12,33,382 fully paid up Equity Shares of ₹ 10/- each) | 123.33 |
| (B) Free Reserves* | |
| - Securities Premium Reserve | 289.05 |
| - General Reserve | 543.19 |
| - Retained Earnings (Surplus) | 16,087.73 |
| Total Free Reserves (B) | 16,919.97 |
| Total of Paid-up Equity Share Capital and Free Reserves (A+B) | 17,043.30 |
| Maximum amount permissible for buy-back under Section 68(2)(c) of the Act and proviso to Regulation 5(i)(b) of the SEBI Buy-back Regulations (25% of the Total of the Paid up Equity Share Capital and Free Reserves) | 4,260.83 |
| Amount approved by the Board of Directors for the Buy-back in the meeting held on July 29, 2024 | 4,260 |

**Free Reserves as defined in Section 2(43) of the Companies Act, 2013 read along with Explanation II provided in Section 68 of the Companies Act, 2013 as Amended.*

| | |
|--|---|
| Sources of Funds for the Buy-back : | Investment in Liquid Funds |
| Details of liquid funds or liquid assets available with the Company to fund the Buy-back : | Mutual Funds & other Investments amounting to # Rs.167 crores (#NAV of investments as on 30-06-2024) |

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

**Sd-
Manee Sriee Aneetha
Company Secretary and Compliance Officer**

Place: Bengaluru
Date: July 29, 2024

Unquote

12. RECORD DATE AND SHAREHOLDER ENTITLEMENT

- 12.1. As required under the SEBI Buy-back Regulations, the Company has fixed Tuesday, September 3, 2024 as the Record Date ("**Record Date**") for the purpose of determining the entitlement and the names of the Eligible Shareholders, who will be eligible to participate in the Buy-back.
- 12.2. As per the SEBI Buy-back Regulations and such other circulars or notifications, as may be applicable, the Eligible Shareholders as on the Record Date will receive a Letter of Offer along with a Tender Form including Form SH-4, as applicable, ("**Letter of Offer**") indicating the entitlement of the Eligible

Shareholder for participating in the Buy-back. Even if the Eligible Shareholder does not receive the Letter of Offer, the Eligible Shareholder may participate and tender Equity Shares in the Buy-back.

- 12.3. As required under the SEBI Buy-back Regulations, the Letter of Offer shall be dispatched within two (2) working days from the Record Date.
- 12.4. The Equity Shares to be bought back as a part of the Buy-back is divided in two categories: (a) reserved category for small shareholders (defined below); and (b) general category for all other eligible shareholders.
- 12.5. As defined in Regulation 2(i)(n) of the SEBI Buy-back Regulations, a “Small Shareholder” is a shareholder of the Company who holds Equity Shares having market value, on the basis of closing price of such Equity Shares on stock exchange as on Record Date, is not more than ₹ 2,00,000 (Indian Rupees Two Lakh only).
- 12.6. In accordance with the proviso to Regulation 6 of the SEBI Buy-back Regulations, 15% (fifteen percent) of the number of Equity Shares which the Company proposes to Buy-back or number of Equity Shares entitled as per the shareholding of small shareholders as on the Record Date, whichever is higher, shall be reserved for the small shareholders as part of this Buy-back. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as “small shareholder”.
- 12.7. Based on the shareholding on the Record Date, the Company will determine the entitlement of each eligible shareholder, including small shareholders, to tender their Equity Shares in the Buy-back. This entitlement for each eligible shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of Buy-back applicable in the category to which such shareholder belongs. The final number of Equity Shares the Company will purchase from each Eligible Shareholder will be based on the total number of Equity Shares tendered. Accordingly, the Company may not purchase all of the Equity Shares tendered by the Eligible Shareholders in the Buy-back.
- 12.8. In accordance with Regulation 9(ix) of the SEBI Buy-back Regulations, in order to ensure that the same Eligible Shareholder with multiple demat accounts/ folios does not receive a higher entitlement under the Small Shareholder category, the Equity Shares held by such Eligible Shareholder with a common PAN shall be clubbed together for determining the category (Small Shareholder or General Category) and their entitlement under the Buy-back. In case of joint shareholding, the Equity Shares held in cases where the sequence of the PANs of the joint shareholders is identical shall be clubbed together. In case of Eligible Shareholders holding physical Equity Shares, where the sequence of PANs is identical and where the PANs of all joint shareholders are not available, the Registrar to the Buy-back will check the sequence of the names of the joint holders and club together the Equity Shares held in such cases where the sequence of the PANs and name of joint shareholders are identical. The shareholding of institutional investors like mutual funds, insurance companies, foreign institutional investors/ foreign portfolio investors etc. with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are held for different schemes/ sub-accounts and have a different demat account nomenclature based on information prepared by the registrar and transfer agent as per the shareholder records received from the Depositories. Further, the Equity Shares held under the category of “clearing members” or “corporate body margin account” or “corporate body-broker” as per the beneficial position data as on Record Date with common PAN are not proposed to be clubbed together for determining their entitlement and will be considered separately, where these Equity Shares are assumed to be held on behalf of clients.
- 12.9. After accepting the Equity Shares tendered on the basis of entitlement, the Equity Shares left to be bought back, if any, in one category shall first be accepted, in proportion to the Equity Shares tendered over and above their entitlement in the offer by Eligible Shareholders in that category, and thereafter from Eligible Shareholders who have tendered over and above their entitlement in the other category.
- 12.10. Shareholders’ participation in Buy-back will be voluntary. Shareholders holding Equity Shares of the Company can choose to participate and receive cash in lieu of Equity Shares accepted under the Buy-back, or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, after the completion of the Buy-back, without any additional investment. Shareholders

holding Equity Shares of the Company may also accept a part of their entitlement. Shareholders holding Equity Shares of the Company also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any. If the Buy-back entitlement for any shareholder is not a round number, then the fractional entitlement shall be ignored for computation of entitlement to tender Equity Shares in the Buy-back.

- 12.11. The maximum tender under the Buy-back by any shareholder cannot exceed the number of Equity Shares held by the shareholder as on the Record Date. In case the Eligible Shareholder holds Equity Shares through multiple demat accounts, the tender through a demat account cannot exceed the number of Equity Shares held in that demat account.
- 12.12. The Equity Shares tendered as per the entitlement by Eligible Shareholders as well as additional Equity Shares tendered, if any, will be accepted as per the procedure laid down in SEBI Buy-back Regulations. The settlement of the tenders under the Buy-back will be done using the “Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy-Back and Delisting” (“**Stock Exchange Mechanism**”) notified by the SEBI Circulars.
- 12.13. The Buy-back from shareholders who are persons resident outside India, including the foreign portfolio investors, erstwhile overseas corporate bodies and non-resident Indian, etc., shall be subject to such approvals, if any and to the extent required from the concerned authorities including approvals from the Reserve Bank of India under Foreign Exchange Management Act, 1999, as amended, and the rules and regulations framed there under, and such approvals shall be required to be taken by such non-resident shareholders themselves.
- 12.14. Detailed instructions for participation in the Buy-back (tender of Equity Shares in the Buy-back) as well as the relevant timetable will be included in the Letter of Offer which will be sent through email along with the tender form in due course to the shareholders holding Equity Shares of the Company as on the Record Date, who have their email IDs registered with the Company/Registrar and Transfer Agent/Depository. However, on receipt of a request by the Manager to the Buy-back or Registrar to the Offer to receive a copy of Letter of Offer in physical format from such Shareholder (to whom Letter of Offer and tender form were emailed), the same will be sent physically. For all the remaining Shareholders who do not have their email IDs registered with the Company/ Registrar and Transfer Agent/ Depository, the Letter of Offer along with tender form will be sent physically.

13. PROCESS AND METHODOLOGY FOR THE BUY-BACK

- 13.1. The Buy-back is open to all eligible shareholders of the Company, holding Equity Shares either in physical form (“**Physical Shares**”) or in the dematerialized form (“**Demat Shares**”) on the Record Date.
- 13.2. The Buy-back shall be implemented using the “Mechanism for acquisition of shares through Stock Exchange pursuant to Tender-Offers under Takeovers, Buy-Back and Delisting” (“**Stock Exchange Mechanism**”) notified by the SEBI Circulars and in accordance with the procedure prescribed in the Companies Act and the SEBI Buy-back Regulations and as may be determined by the Board and on such terms and conditions as may be permitted by law from time to time.
- 13.3. For implementation of the Buy-back, the Company has appointed Choice Equity Broking Private Limited as the registered broker to the Company (“**Company’s Broker**”) to facilitate the process of tendering of Equity Shares through the Stock Exchange Mechanism for the Buy-back and through whom the purchases and settlements on account of the Buy-back would be made by the Company. The contact details of the Company’s Broker are as follows:

Name: Choice Equity Broking Private Limited

Address: Choice House, Sunil Patodia Tower, J B Nagar, Andheri (East), Mumbai- 400099;

Contact Person: Mr. Jeetender Joshi (Senior Manager);

Telephone. + 91 22-67079832;

Fax No. +91 22-67079999;

E-mail ID: jeetender.joshi@choiceindia.com;

Website: www.choiceindia.com

Investor Grievance Email ID: ig@choiceindia.com

SEBI Registration No: INZ000160131

- 13.4. The Company will request BSE Limited (“**BSE**”), being the designated stock exchange (“**Designated Stock Exchange**”), to provide a separate window (“**Acquisition Window**”) to facilitate placing of sell orders by the Eligible Shareholders who wish to tender their Equity Shares in the Buy-back. The details of the Acquisition Window will be as specified by BSE from time to time.
- 13.5. At the beginning of the tendering period, the order for buying Equity Shares will be placed by the Company through the Company’s Broker. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by the Eligible Shareholders through their respective stock-brokers (“**Shareholder Broker**”) during normal trading hours of the secondary market. The Shareholder Broker can enter orders for Demat Shares as well as Physical Shares.
- 13.6. In the event the Shareholder Broker(s) of any Eligible Shareholder is not registered with BSE as a trading member/ stock-broker, then that Eligible Shareholder can approach any BSE registered stock broker and can register themselves by using quick unique client code (“**UCC**”) facility through the BSE registered stock broker (after submitting all details as may be required by such BSE registered stock broker in compliance with applicable law). In case the Eligible Shareholders are unable to register using UCC facility through any other BSE registered broker, Eligible Shareholders may approach Company’s Broker i.e., Choice Equity Broking Private Limited to place their bids, subject to completion of KYC requirements as required by the Company’s Broker.
- 13.7. Modification/cancellation of orders and multiple bids from a single Eligible Shareholder will only be allowed during the tendering period of the Buy-back. Multiple bids made by a single Eligible Shareholder for selling Equity Shares shall be clubbed and considered as “one bid” for the purposes of acceptance.
- 13.8. The cumulative quantity tendered shall be made available on the website of BSE (www.bseindia.com) throughout the trading session and will be updated at specific intervals during the tendering period.
- 13.9. Further, the Company will not accept Equity Shares tendered for Buy-back which are under restraint order of the court or any other competent authority for transfer/sale and/or title in respect of which is otherwise under dispute or where loss of share certificates has been notified to the Company and the duplicate share certificates have not been issued either due to such request being under process as per the provisions of law or otherwise.
- 13.10. Procedure to be followed by Equity Shareholders holding Equity Shares in the dematerialised form.**
- Eligible Shareholders who desire to tender their demat shares under the Buy-back would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buy-back.
 - The Shareholder Broker would be required to place an order/ bid on behalf of the Eligible Shareholder who wish to tender demat shares in the Buy-back using the Acquisition Window of the Designated Stock Exchange (**BSE**). For further details, Eligible Shareholders may refer to the circulars issued by BSE and Indian Clearing Corporation Limited (“**Clearing Corporation**”)
 - The relevant details and the settlement number under which the lien will be marked on the Equity Shares tendered for the Buy-back shall be informed in a separate circular that will be issued by the Designated Stock Exchange and/or the Clearing Corporation.
 - The lien shall be marked by the Shareholder Broker in demat account of the Eligible Shareholders for the Equity Shares tendered in the Buy-back. The details of the shares marked as lien in the demat account of the Eligible Shareholder shall be provided by the depositories to the Clearing Corporation. In case, the demat account of the Eligible Shareholders is held in one depository and clearing member pool and clearing corporation account is held with other depository, the Equity Shares tendered under the Buy-back shall be blocked in the shareholders demat account at the source depository during the tendering period. Inter Depository Tender Offer (“**IDT**”) instruction shall be initiated by the Eligible Shareholder at source depository to clearing member pool/ clearing corporation account at target depository. Source depository shall block the Eligible Shareholder’s securities (i.e., transfers from free balance to blocked balance) and sends IDT message to target depository for confirming creation of lien. Details of Equity Shares blocked in the Eligible Shareholders demat account shall be provided by the target depository to the Clearing Corporation.
 - For custodian participant orders for demat shares, early pay-in is mandatory prior to confirmation of order/ bid by custodian participant. The custodian participant shall either confirm or reject the orders no later than the closing of trading hours on the last day of the tendering period. Thereafter, all

unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, order modification shall revoke the custodian confirmation and the revised order shall be sent to the custodian again for confirmation.

- f) Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip (“TRS”) generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the order/bid has been placed. TRS will contain details of order submitted like bid ID number, application number, DP ID, Client ID, number of Equity Shares tendered etc. In case of non-receipt of the completed tender form and other documents, but lien marked on Equity Shares and a valid bid in the exchange bidding system, the bid by such Eligible Shareholder shall be deemed to have been accepted.
- g) It is clarified that in case of demat shares, submission of the tender form and TRS is not mandatory. After the receipt of the demat shares by the Clearing Corporation and a valid bid in the exchange bidding system, the Buy-back shall be deemed to have been accepted, for Eligible Shareholders holding Equity Shares in demat form.
- h) Eligible shareholders who have tendered their demat shares in the buy-back shall also provide all relevant documents, which are necessary to ensure transferability of the demat shares in respect of the tender form to be sent. Such documents may include (but not be limited to): (i) duly attested power of attorney, if any person other than the eligible shareholder has signed the tender form; (ii) duly attested/notarized copy of death certificate and succession certificate/ legal heirship certificate or probated will, in case any eligible shareholder is deceased, or court approved scheme of merger/ amalgamation for a company; and (iii) in case of companies, the necessary certified corporate authorizations (including board and/ or general meeting resolutions).
- i) The Eligible Shareholders will have to ensure that they keep the depository participant (“DP”) account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to prorated buy-back decided by the Company. Further, Eligible Shareholders will have to ensure that they keep the bank account attached with the DP account active and updated to receive credit remittance due to acceptance of buy-back of shares by the Company.

13.11. Procedure to be followed by registered Equity Shareholders holding Equity Shares in the Physical Form:

- a) In accordance with SEBI Circular dated July 31, 2020 (Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/144), shareholders holding shares in physical form are allowed to tender such shares in a buy-back undertaken through tender offer route. However, such tendering shall be as per the provisions of the SEBI Buy-back Regulations and terms of Letter of Offer.
- b) Eligible Shareholders who are holding physical shares and intend to participate in the Buy-back will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include the (a) the Tender Form duly signed by all Eligible Shareholders (in case shares are in joint names, in the same order in which they hold the shares), (b) original share certificate(s), (c) valid share transfer form(s)/Form SH-4 duly filled and signed by the transferors (i.e. by all registered Shareholders in same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (d) self-attested copy of PAN Card(s) of all Eligible Shareholders, (e) any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder is deceased, etc., as applicable. In addition, if the address of the Eligible Shareholder has undergone a change from the address registered in the register of members of the Company, the Eligible Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhaar card, voter identity card or passport.
- c) Based on aforesaid documents, the concerned Shareholder Broker shall place an order/bid on behalf of the Eligible Shareholders holding Equity Shares in physical form who wish to tender Equity Shares in the Buy-back, using the acquisition window of BSE. Upon placing the bid, the Shareholder broker shall provide a TRS generated by the exchange bidding system to the Eligible Shareholder. TRS will contain the details of order submitted like folio number, certificate number, distinctive number, number of Equity Shares tendered, etc.
- d) Any Shareholder Broker/ Eligible Shareholder who places a bid for physical shares, is required to deliver the original share certificate(s) and documents (as mentioned above) along with TRS generated by exchange bidding system upon placing of bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buy-back (at the address mentioned at paragraph 16 below) on or before the Buy-back closing date. The envelope should be superscribed as “**Anglo-French Drugs &**

Industries Limited Buy-back Offer 2024”. One copy of the TRS will be retained by the Registrar to the Buy-back and it will provide acknowledgement of the same to the Shareholder Broker.

- e) The Eligible Shareholders holding physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents are submitted. Acceptance of the physical Equity Shares for Buy-back by the Company shall be subject to verification as per the SEBI Buy-back Regulations and any further directions issued in this regard. The Registrar to the Buy-back will verify such bids based on the documents submitted on a daily basis and till such verification, BSE shall display such bids as ‘unconfirmed physical bids’. Once Registrar to the Buy-back confirms the bids, they will be treated as ‘confirmed bids’.
 - f) In case any Eligible Shareholder has submitted Equity Shares in physical form for dematerialisation, such Eligible Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Buy-back before the closure of the tendering period of the Buy-back.
 - g) An unregistered shareholder holding physical shares may also tender their Equity Shares in the Buy-back by submitting the duly executed transfer deed for transfer of shares, purchased prior to the Record Date, in their name, along with the offer form, copy of their PAN Card and of the person from whom they have purchased shares and other relevant documents as required for transfer, if any. In the tendering process, the Shareholder’s Broker may also process the orders received from the Eligible Shareholders.
- 13.12. Participation in the Buy-back by eligible Shareholders may trigger tax on distributed income to such shareholders (**“Buy-back Tax”**) in India and such tax is to be discharged by the Company as per the procedure laid down in the applicable provisions of the Income Tax Act, 1961 read with applicable rules framed thereunder. The transaction of the Buy-back would also be chargeable to securities transaction tax in India. Any consideration received by Eligible Shareholders pursuant to the Buy-back of shares will not be included in the total taxable income of such shareholders. Participation in the Buy-back by the Non-Resident eligible shareholders may trigger capital gains tax in the hands of such Shareholders in their country of residence. However, in view of the particular nature of tax consequences, the eligible shareholders are advised to consult their own legal, financial and tax advisors prior to participating in the Buy-back.
- 13.13. The Buy-back from the Eligible Shareholders who are residents outside India including foreign corporate bodies (including erstwhile overseas corporate bodies), foreign portfolio investors, non-resident Indians, members of foreign nationality, if any, shall be subject to the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any, Income Tax Act, 1961 and rules and regulations framed thereunder, as applicable, and also subject to the receipt / provision by such Eligible Shareholders of such approvals, if and to the extent necessary or required from concerned authorities including, but not limited to, approvals from the RBI under the Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder, if any.
- 13.14. The reporting requirements for non-resident shareholders under RBI, Foreign Exchange Management Act, 1999, as amended and any other rules, regulations, guidelines, for remittance of funds, shall be made by the Eligible Shareholders and/ or the Seller Member through which the Eligible Shareholder places the bid.

14. METHOD OF SETTLEMENT

Upon finalization of the basis of acceptance as per the SEBI Buy-back Regulations:

- i. The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- ii. The Company will pay the consideration to the Buy-back to the Company’s Broker who will transfer the funds pertaining to the Buy-back to the Clearing Corporation’s bank accounts as per the prescribed schedule. The settlement of fund obligation for demat shares shall be affected as per the SEBI Circulars and as prescribed by BSE and Clearing Corporation from time to time. For demat shares accepted under the Buy-back, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the Clearing Corporation. If Eligible Shareholders’ bank account details are not available or if the funds transfer instruction is rejected by the RBI/ the concerned bank(s), due to any reason, then the amount payable to the concerned shareholders will be transferred to the settlement account of the Shareholder Broker for onward transfer to such Eligible Shareholders.

- iii. For the Eligible Shareholders holding Equity Shares in physical form, the funds pay-out would be given to their respective Shareholder broker's settlement accounts for releasing the same to the respective Eligible Shareholder's account.
- iv. In case of certain Eligible Shareholders viz., NRIs, non-residents etc. (where there are specific RBI and other regulatory requirements pertaining to funds payout) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to the respective Eligible Shareholder's account. For this purpose, the client type details would be collected from the depositories, whereas funds payout pertaining to the bids settled through custodians will be transferred to the settlement bank account of the custodian, each in accordance with the applicable mechanism prescribed by the BSE and the Clearing Corporation from time to time.
- v. Details in respect of shareholder's entitlement for tender offer process will be provided to the Clearing Corporation by the Company or Registrar to the Buy-back. On receipt of the same, Clearing Corporation will cancel lien on the excess or unaccepted blocked shares in the demat account of the shareholder. On the settlement date, all blocked shares mentioned in the accepted bid will be transferred to the Clearing Corporation.
- vi. If the securities transfer instruction is rejected in the depository system, due to any issue then such securities will be transferred to the Shareholder Broker's depository pool account for onward transfer to the eligible shareholder.
- vii. Any excess demat shares or unaccepted demat shares, if any, tendered by the eligible shareholders would be returned to them by the Clearing Corporation directly to the respective Eligible Shareholders' DP Account. In case of custodian participant orders, excess demat shares or unaccepted demat shares, if any, will be returned to the respective custodian depository pool account. In the case of inter depository, Clearing Corporation will cancel the excess or unaccepted shares in target depository. The source depository will not be able to release the lien without a release of IDT message from target depository. Further, release of IDT message shall be sent by target depository either based on cancellation request received from Clearing Corporation or automatically generated after matching with bid accepted detail as received from the Company or the Registrar to the Buy-back. Post receiving the IDT message from target depository, source Depository will cancel/release excess or unaccepted block shares in the demat account of the shareholder. Post completion of tendering period and receiving the requisite details viz., demat account details and accepted bid quantity, source depository shall debit the securities as per the communication/ message received from target depository to the extent of accepted bid shares from shareholder's demat account and credit it to Clearing Corporation settlement account in target depository on settlement date.
- viii. The Equity Shares bought back in demat form would be transferred directly to the demat account of the Company opened for the Buy-back ("**Company Demat Escrow Account**") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Escrow Account on receipt of the Equity Shares from the clearing and settlement mechanism of BSE.
- ix. The Eligible Shareholders of the demat shares will have to ensure that they keep the depository participant ("**DP**") account active and unblocked to receive credit in case of return of demat shares, due to rejection or due to non-acceptance in the Buy-back. Further, Eligible Shareholders will have to ensure that they keep the bank account attached with the DP account active and updated to receive credit remittance due to acceptance of buy-back of shares by the Company.
- x. Any excess physical Equity Shares pursuant to proportionate acceptance/rejection will be returned to the Eligible Shareholder(s) directly by the Registrar to the Buy-back. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Equity Shares, in case the Equity Shares accepted by the Company are less than the Equity Shares tendered in the Buy-back by the Equity Shareholders holding Equity Shares in the physical form.
- xi. The Shareholder Broker(s) would issue a contract note to their respective Eligible Shareholders for the Equity Shares accepted under the Buy-back. The Company Broker would issue a contract note to the Company for the Equity Shares accepted under the Buy-back.
- xii. Eligible Shareholders who intend to participate in the Buy-back should consult their respective Shareholder Broker(s) for payment to them of any cost, applicable taxes, charges and expenses (including brokerage) etc., that may be levied by the Shareholder Broker(s) upon the Eligible Shareholders for tendering Equity Shares in the Buy-back (secondary market transaction). The Buy-back consideration received by the Eligible Shareholders in respect of accepted Equity Shares could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company and the Manager to the Buy-back accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Eligible Shareholders.

- xiii. The lien marked against unaccepted Equity Shares will be released, if any, or would be returned by registered post or by ordinary post or courier (in case of physical shares) at the Eligible Shareholders' sole risk. Eligible Shareholders should ensure that their depository account is maintained till all formalities pertaining to the Buy-back are completed.
- xiv. The Equity Shares lying to the credit of the Company Demat Escrow Account and the Equity Shares bought back and accepted in physical form will be extinguished in the manner and following the procedure prescribed in the SEBI Buy-back Regulations.

15. COMPLIANCE OFFICER

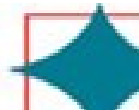
The Board at their meeting held on Monday, July 29, 2024 designated Ms. Manee Sriee Aneetha, Company Secretary and Compliance Officer for the purpose of the Buy-back ("**Compliance Officer**"). Investors may contact the Company Secretary and Compliance Officer of the Company for any clarifications or to address their grievances, if any, during office hours i.e., from 10.00 a.m. to 5.00 p.m. on all working days except Saturday, Sunday and public holidays, at the following address:



Ms. Manee Sriee Aneetha, Company Secretary and Compliance Officer
Anglo-French Drugs & Industries Limited
Registered Office: Plot No 4, Phase II, Peenya Industrial Area, Peenya, Bengaluru- 560058
Corporate Identification Number: L24230KA1923PLC010205
Tel. No.: 080-23156757 / 23154770; **Fax:** 080-23389963 / 23306596
Email: compliance@afdil.com; **Website:** www.afdil.com

16. INVESTOR SERVICE CENTRE AND REGISTRAR TO THE BUY-BACK

In case of any query, the Eligible Shareholders may contact the Registrar to the Buy-back on all working days except Saturday, Sunday and public holidays between 10.00 a.m. and 5.00 p.m. at the following address:



Cameo Corporate Services Limited
Unit: Anglo French-Buyback
"Subramanian Building", No.1, Vth Floor, Club House Road,
Chennai- 600002, Tamilnadu, India
Tel: +91 44 4002 0741 / 4002 0706 / 4002 0780 / 4002 0700;
Fax: +91 44 2846 0129
Email: priya@cameoindia.com
Website: www.cameoindia.com
SEBI Registration: INR000003753
Contact Person: Ms. Sreepriya. K

17. MANAGER TO THE BUY-BACK

The Company has appointed the following as Manager to the Buy-back:



Saffron Capital Advisors Private Limited
605, Sixth Floor, Centre Point, Andheri-Kurla Road,
J. B. Nagar, Andheri (East), Mumbai - 400059, Maharashtra, India.
Tel. No.: +91 22 49730394
Email: buybacks@saffronadvisor.com
Website: www.saffronadvisor.com
Investor Grievance: investorgrievance@saffronadvisor.com
Corporate Identification Number: U67120MH2007PTC166711
SEBI Registration Number: INM000011211

Contact Person: Mr. Satej Darde/ Mr. Sachin Prajapati

18. DIRECTORS' RESPONSIBILITY

As per Regulation 24(i)(a) of the SEBI Buy-back Regulations, the Board accepts full responsibility for all the information contained in this Public Announcement and for the information contained in all other advertisements, circulars, etc., which may be issued in relation to the Buy-back, and confirms that the information in such documents contain and will contain true, factual and material information and does not and will not contain any misleading information.

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

| | | |
|---|--------------------------------------|---|
| Abhay Kanoria Sd/- | Uddhav Kanoria Sd/- | Manee Sriee Aneetha Sd/- |
| Chairman & Managing Director DIN: 00108894 | Whole Time Director DIN: 00108909 | Company Secretary and Compliance Officer ICSI Membership Number: A32388 |

Place: Bengaluru

Date: August 22, 2024