

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/DCR/IR/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 ₹S. 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 two (2) 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 Network 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 Network 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.mseil.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 Chioria, 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.

S. 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:

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

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 Laks 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(w)(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 resources 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, 1

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: 24056720BKHXE2122

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.

Table with 2 columns: Particulars and Amount (₹ in Lakhs). Rows include Paid up Equity Share Capital as on March 31, 2024, Free Reserves, Securities Premium Reserve, General Reserve, Retained Earnings, Total Free Reserves, and Total Paid-up Equity Share Capital and Free Reserves (A+B).

*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.

Table with 2 columns: Sources of Funds for the Buy-back and Investment in Liquid Funds. Details of liquid funds or liquid assets available with the Company to fund the Buy-back.

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

Sd-
Manee Sree Anantha
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.
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.
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.
12.8. In accordance with Regulation 9(x) 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.
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.
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.
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.
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 form 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.
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.
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.
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.
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.
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.
13.11. Procedure to be followed by registered Equity Shareholders holding Equity Shares in the Physical Form.
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.
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.
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.
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.
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.
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.
xi. The Shareholder Broker(s) would issue a contract note to their respective Eligible Shareholders 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.
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.
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 Sree Anantha, 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:
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:
17. MANAGER TO THE BUY-BACK
The Company has appointed the following as Manager to the Buy-back:
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

Table with 3 columns: Name and Designation. Includes Abhay Kanoria (Chairman & Managing Director), Uddhav Kanoria (Whole Time Director), and Manee Sree Anantha (Company Secretary and Compliance Officer).

Place: Bengaluru
Date: August 22, 2024