

CIRCULAR TO MEMBERS OF ALBERT DAVID LIMITED INVITING UNSECURED FIXED DEPOSIT
[Prusuant to section 73(2) (a) of the Companies Act 2013 and rule 4(1) of the Companies
(Acceptance of Deposits) Rules, 2014]

1 GENERAL INFORMATION

a) Name, Address, Website and other contact details of the Company:

Albert David Limited
(CIN No.L51109WB1938PLC009490)
Registered Office : 15, Chittaranjan Avenue, Kolkata-700 0072
Tel : 033-2212-9700, 9637, 9592, Fax : 033-2225-8714
Email : adidavid@dataone.in
Website : www.albertdavidindia.com

b) Date of Incorporation to the Company :

16th November, 1938 under the Indian Companies Act, 1913.

c) The business carried on by the Company and its subsidiaries with the details of branches or units, if any :

The company is engaged in the business of manufacture, sales and export of basic drugs and formulations and has at present the following factories. :

- i) in the State of West Bengal at 5/11, D. Gupta Lane, Kolkata - 700 050
- ii) in the State of Uttar Pradesh at B-12 & B-13, Meerut Road, Industrial Area, Ghaziabad-201003 and
- iii) in the State of Madhya Pradesh at Plot No. 207, New Industrial Area No. 2 Mandideep-462046, Dist. Raissen

The Company is having its Head Office at Kolkata and main Sales Depot at Bhopal, Mumbai, Kolkata, Guwahati, Lucknow, Chennai, New Delhi, Patna and Vijaywada

Company has no subsidiary.

d) Brief Particulars of the Management of the Company :

The Company is managed by the Board of Directors, subject to the superintendence, control and directions of the Board, the day-to-day management of the Company is carried out by Senior Executives of the Company assisted by other professionally trained and experienced personnel.

e) Names, Addresses, DIN and Occupations of the Directors :

Name of the Director	Residential Address	DIN	Occupation
Shri Arun Kumar Kothari (Chairman & Managing Director)	Kothari Niwas, 6B, Penn Road, Alipore, Kolkata - 700 027	00051900	Industrialist
Shri Damodar Das Binani	43, Strand Road, Kolkata - 700 001	00068777	Business
Shri Hemal Kampani	Flat No. 8, 4th Floor, 7, Burdwan Road, Alipore, Kolkata-700 027	00057715	Business
Shri Rajiv Singh	130, Regent Park, Kolkata - 700 040	00071285	Chartered Accountant
Smt. Prabhawati Devi Kothari	Kothari Niwas, 6B, Penn Road, Alipore, Kolkata - 700 027	00051860	Industrialist
Dr. Amal Kumar Bhattacharya	A-605, Anu Apartments, Whitefield Main Road, Near Hopefarm Circle, Balgalore-560066	00103798	Retired
Dr. Karunamay Lahiri	179, Dhanalaxmi Society, Mahendra Hills, Secunderabad-500 026	01939873	Business
Shri Kamal Prasad Mundhra (Executive Director)	AE-675, Salt Lake City, Kolkata-700 064	00649025	Service

f) Management's perception of risk factors :

Company has obtained Credit Rating "FA/Stable" from CRISIL Ltd. Instrument with this rating considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instrument carry low credit risk

g) Details of default, including the amount involved, duration of default and presents status, in repayment of -

- i) statutory dues :
- ii) debentures and interest there on;
- iii) loan from any bank or financial institution and interest thereon

There is no default in respect of the above

2. Particulars of the Deposit Scheme

a) Date of passing of Board Resolution : 7th August, 2014

b) Date of passing of resolution in the general meeting authorizing the invitation of such deposits : 7th August, 2014

c) Type of deposits, i.e., whether secured or unsecured : Unsecured

d) Amount which the company can raise by way of deposits as per the Act and the rules made thereunder, and the aggregate of deposits actually held on the last day of the immediately preceding financial year and on the date of issue of the Circular or advertisement and amount of deposit proposed to be raised and amount of deposit repayable within the next twelve months

Amount which the company can raise From Shareholders	:	Rs. 2255.07 Lacs
Aggregate of deposits actually held as on 31-3-2014	:	Rs. 807.25 Lacs
Amount of deposit proposed to be raised	: Upto	Rs. 2000.00 Lacs
Amount of deposit repayable within next 12 months	:	Rs. 164.25 Lacs

e) Terms of raising of deposits : Duration, Rate of Interest, mode of payment and repayment :

Duration	:	6 months to 1 year
Rate of Interest	:	11% per annum
Mode of Payment & Repayment	:	Cheque (payable half yearly on 30th September and 31st March) and on maturity date.
Other Terms	:	<p>i) Deposits will be accepted for amount in multiples of Rs. 25000/- (Rupees Twenty Five Thousand only) subject to a minimum of Rs. 50000/- (Rupees Fifty Thousand only) for periods and rates as specified above.</p> <p>ii) The company will issue Certificates on 31 March of each year and on maturity of deposits for interest accrued specifying the amount of tax deducted at source, as applicable.</p> <p>iii) No Brokerage will be paid on Deposit received.</p> <p>iv) Application for deposit must be made only on Company's prescribed form which contains the terms and conditions for the said scheme are available in the Company's website.</p> <p>v) Repayment of Deposit before maturity but not earlier than 6 (six) months from the date of deposit shall be at the discretion of the company. In the event of the Company agreeing to repay a deposit prior to the date of its maturity, the rate of payment of interest on such deposit shall be in accordance with the provisions of Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time. In case of premature repayment of deposit, if allowed by the company, such deposit will carry simple interest and such interest will also be subject to the provisions of the Rules, as amended. In case of premature repayment the difference between the interest paid, and the interest calculated pursuant to this clause shall be deducted from the amount to be refunded.</p> <p>vi) Nomination facility is available.</p>

f) Proposed time schedule mentioning the date of opening of the scheme and the time period for which the circular or advertisement is valid :

Date of Opening - 1st October, 2014

Validity - Till the date on which the Annual General Meeting of the Company is held or 30th September, 2015 whichever is earlier.

g) Reasons or objects of raising the deposits :

For meeting the business requirement of the Company.

h) Credit rating obtained :

Name of the Credit Rating Agencies	:	CRISIL Ltd.
Rating obtained	:	FA/Stable
Meaning of the rating obtained	:	Instrument with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instrument carry low credit risk
Date on which rating was obtained	:	12-08-2014

i) Extent of deposit insurance,

Name of the Insurance Company,	:	As per the notification no. G.S.R. 386 (E)
Terms of the Insurance Coverage,	:	dated 06.06.2014 issued by Ministry of Corporate Affairs, the company may
Duration of Coverage,	:	accept the deposits without deposit
Extent of Coverage,	:	insurance contract till the 31st March, 2015
Procedure for claim in case of Default etc.,	:	N/A

j) Short particulars of the charge created or to be created for securing such deposits, if any : Not Applicable

k) Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far as it is different from the interests of other persons : The Directors, Promoters and Key Managerial Personnel of the company has financial interest in fixed deposits of the company to the extent of their respective fixed deposits, if any, and is no way different from the interest of other persons.

3. DETAILS OF ANY OUTSTANDING DEPOSITS :

- a) Amount Outstanding : Rs. 1,64,25,000/-
- b) Date of Acceptance : 1st October, 2013
- c) Total Amount accepted : Rs. 1,64,25,000/-
- d) Rate of Interest : 11% p.a.
- e) Total number of depositors : 30 Nos.
- f) Default, if any, in repayment of deposits and payment of interest thereon, if any, including number of depositors, amount and duration of default involved : There is no default in repayment of deposit and payment of interest thereon.
- g) Any waiver by the depositors of Interest accrued on deposits : No case of waiver

4. FINANCIAL POSITION OF THE COMPANY

- a) Profits of the company before and after making provision for tax, for the immediately three financial years :

(Rs. in Lacs)

For Accounting Year ended on	Profit/Loss (-) before Tax	Profit/Loss (-) after tax
31.03.2012	1123.85	762.84
31.03.2013	1338.52	855.87
31.03.2014	1846.06	1257.32

- b) Dividends declared by the Company in respect of the said three financial years, Interest coverage ratio for last three years (Cash profit after tax plus interest paid.)

For Accounting Year ended on	Dividends declared by the Company	Interest Coverage Ratio
31.03.2012	45%	7.11
31.03.2013	45%	8.44
31.03.2014	50%	9.23

- c) A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of circular or advertisement :

Equity and Liabilities	As at 31st March 2014	As at 31st March 2013	As at 31st March 2012
1. Shareholders' Fund			
a) Share Capital	570.72	570.72	570.72
b) Reserve & Surplus	8463.47	7540.01	6984.61
2. Non-Current Liabilities			
a) Long Term Borrowings	1196.00	802.00	-
b) Deferred Tax Liabilities (Net)	368.97	450.23	372.58
c) Other Long Term Liabilities	344.80	333.41	324.08
d) Long Term Provisions	660.90	737.52	3361.21
3. Current Liabilities			
a) Short Terms Borrowings	2788.73	2976.52	3368.21
b) Trade Payable	3035.25	2839.26	3111.31
c) Other Current Liabilities	1632.31	1449.07	1237.44
d) Short Term Provisions	738.67	595.92	953.21
TOTAL	19799.82	18294.66	20283.37

Assets	As at 31st March 2014	As at 31st March 2013	As at 31st March 2012
1. Non-Current Assets			
a) Net Fixed Assets	7005.67	7326.22	7545.90
b) Non-Current Investment	1650.10	0.02	0.02
c) Long Term Loans	342.87	285.57	2826.15
d) Other Non-Current Assets	0.50	0.50	--
2. Current Assets			
a) Inventories	4312.31	4256.21	4024.61
b) Trade Receivables	4258.62	3697.45	2976.16
c) Cash & Bank Balances	925.67	1453.31	1153.63
d) Short Term Loans	1265.26	1236.79	1675.29
e) Other Current Assets	38.82	38.59	81.61
TOTAL	19799.82	18294.66	20283.37

d) Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement :

	Year Ended 31-03-2014	Year Ended 31-03-2013	Year Ended 31-03-2012
A. Cash Flow From Operating Activities	2077.56	2024.15	1086.35
B. Cash Flow From Investing Activities	(2399.36)	(912.88)	(1239.80)
C. Cash Flow From Financing Activities	(205.84)	(811.59)	(1056.68)
Net Increase / Decrease in Cash and Cash Equivalents	(527.64)	299.68	(1210.13)
Opening Cash & Cash Equivalents	1453.31	1153.63	2363.76
Closing Cash & Cash Equivalents	925.67	1453.31	1153.63

e) Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company : There is no change in accounting policies during the last three years.

5. A DECLARATION BY THE DIRECTORS THAT -

- the company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest thereon.
- The board of directors have satisfied themselves fully with respect to the affairs and prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the company, the company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular.
- The company has complied with the provisions of the Act and the rules made thereunder,
- the compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government;
- out of the total deposits of Rs. 807.25 lacs accepted by the company before the commencement of the Act, an amount of Rs. 643.00 lacs have been repaid and the balance amount of Rs. 164.25 lacs will be repaid along with interest within 1st October, 2014 and until they are repaid, they shall be treated as unsecured and ranking pari passu with other unsecured liabilities.
- in case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty;
- the deposits shall be used only for the purposes indicated in the circular.
- the deposits accepted by the company are unsecured and rank pari passu with other unsecured liabilities of the company.

The text of the above circular is approved by the Board of Directors on 7th August, 2014 and copy thereof is being filed with the Ministry of Company Affairs. Govt. of India for registration. This is issued on authority and in the name of the Board of Directors of the Company.

By Order of the Board
For **ALBERT DAVID LIMITED**

Kolkata
Dated 07.08.2014

Indrajit Dhar
Associate Vice President
(Accounts & Taxation)-cum-Company Secretary