August 29, 2019

**DCS-CRD**
National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra (East)
Mumbai - 400 051

**Symbol: ADFFOODS**

**DCS-CRD**
BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

**Scrip Code: 519183**

Dear Sir/Madam,

**Sub: Notice of the Annual General Meeting (AGM).**

The details pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of SEBI circular CIR/CFD/CMD/4/2015 dated 9th September, 2015 are given herein below:

1. Date of Notice of AGM to be held on 25th September, 2019: 10th August, 2019.

2. Agenda proposed to be taken up, resolution to be passed, manner of approval proposed, etc.:

| Item No. | Resolution | Manner of approval |
|---|---|---|
| 1. | To receive, consider and adopt the Audited Standalone and Consolidated Balance Sheet as at 31st March, 2019, Statement of Profit & Loss for the financial year ended 31st March, 2019, Cash Flow Statement and reports of the Board of Directors and Auditors thereon. | Ordinary Resolution |
| 2. | To appoint a Director in place of Mr. Bimal R. Thakkar (DIN: 00087464) who retires by rotation and being eligible offers himself for re-appointment. | Ordinary Resolution |
| 3. | To consider re-appointment of M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants as the Statutory Auditors of the Company. | Ordinary Resolution |
| 4. | To consider making structural changes in remuneration of Mr. Bimal Thakkar, Chairman, Managing Director & CEO. | Special Resolution |
| 5. | To consider re-appointment of Mr. Viren A. Merchant (DIN: 00033464) as Independent Director of the Company. | Special Resolution |
| 6. | To consider re-appointment of Mr. Ravinder Kumar Jain (DIN: 00652148) as Independent Director of the Company. | Special Resolution |
| 7. | To consider appointment of Mr. Jay Mehta (DIN: 00152072) as a Non-Executive Non-Independent Director. | Ordinary Resolution |
| 8. | To consider renewal of Related Party Contracts. | Ordinary Resolution |
| 9. | To consider reclassification of shareholding of Mr. Ashok H. Thakkar and Mr. Mishal A. Thakkar from 'Promoter & Promoter Group' category to 'Public' category. | Ordinary Resolution |

FOODS LTD.

*Feeding the world..*

Notice of the AGM is enclosed herewith.

Request you to kindly take the same on your record.

Thanking you.

Yours truly,

For **ADF Foods Limited**

**Shalaka Ovalekar**
**Company Secretary**

**Encl:** A/a

**Regd Off :** 83/86, G.I.D.C Industrial Estate, Nadiad - 387 001, India. Tel.: +91 268 2551381/82 Fax : +91 268 2565068
Email : nadiadfactory@adf-foods.com CIN: L15400GJ1990PLC014265
**Corp. Off :** Marathon Innova B2, G01, Ground Floor, G. K. Road, Lower Parel, Mumbai - 400 013. INDIA.
Tel. : +91 22 6141 5555, Fax : +91 22 6141 5577 Email : info@adf-foods.com, Web : www.adf-foods.com

# NOTICE OF THE 29TH ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the **Twenty Ninth Annual General Meeting** of the Members of **ADF FOODS LIMITED** will be held at Nadiad Nagar Palika Ipcowala Town Hall, Near City Point, Paras Circle, Santram Road, Nadiad - 387 001 on Wednesday, 25th September, 2019 at 12.00 noon to transact the following business:

**ORDINARY BUSINESS**

(1) To receive, consider and adopt the Audited Financial Statements of the Company, namely:

a) The Audited Standalone and Consolidated Balance Sheet as at 31st March, 2019;

b) The Audited Standalone and Consolidated Statement of Profit and Loss for the financial year ended 31st March, 2019;

c) The Audited Standalone and Consolidated Cash Flow Statement for the financial year ended 31st March, 2019;

d) Notes annexed to, or forming part of, the documents referred to in (a) to (c) above and the Reports of the Board of Directors and Auditors thereon.

(2) To appoint a Director in place of Mr. Bimal R. Thakkar (DIN: 00087404) who retires by rotation and being eligible offers himself for re-appointment.

(3) To re-appoint Auditors and to authorize the Board of Directors to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, Mumbai (Registration No. 104607W/W100166) be and are hereby re-appointed as Statutory Auditors of the Company, for the second consecutive term of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held for the Financial year 2023-24 of the Company.

**RESOLVED FURTHER THAT** remuneration of Rs.16,25,000/- plus applicable taxes and reimbursement of out of pocket expenses incurred be paid to M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants for the Financial Year 2019-20 and for the subsequent financial years remuneration shall be fixed by the Board of Directors of the Company."

**SPECIAL BUSINESS**

(4) To consider and if thought fit to pass, the following resolution as a **Special Resolution:**

"**RESOLVED THAT** in partial modification of Special Resolution passed at the Annual General Meeting held on September 15, 2018 in respect of appointment of Mr. Bimal R. Thakkar (DIN: 00087404) as Chairman, Managing Director and CEO and pursuant to recommendation of the Nomination and Remuneration Committee and the Board of Directors and pursuant to provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory amendment(s) or modification(s) thereto or re-enactment(s) or substitution(s) made thereof for the time being in force or any amendments and/ or modification(s) that may hereafter be made thereto by the Central Government in that behalf from time to time, the consent of the Members be and is hereby accorded to revise the remuneration structure of Mr. Bimal R. Thakkar (DIN: 00087404) with effect from May 01, 2019 till the remaining term of the appointment i.e. upto September 30, 2023 as under:

1. Commission based on percentage of Profit Before Tax of ADF Foods Ltd. and/or commission based on percentage of Net sales of the overseas subsidiary/subsidiaries i.e. ADF Foods (USA) Ltd. or ADF Foods UK Ltd. shall be paid to Mr. Bimal Thakkar in compliance with the applicable laws;

   The commission will be calculated based on the audited financial statements of the relevant Financial Year;

Provided that the annual gross remuneration payable should not exceed overall ceiling of Managerial remuneration as set under Section(s) 197, 198 and as per monetary ceiling prescribed in Schedule V of the Companies Act, 2013.

2. An on account payment equivalent to Rs.10,00,000/- (Rupees Ten Lakhs only) will be made on monthly basis. The same shall be adjusted against the commission payable as stated in Point number 1.

3. Reimbursement of expenses: Reimbursement of the expenses including but not limited to the following expenses actually and properly incurred by him for the business of the Company and will not be considered as perquisite:

   i) Actual expenses incurred for the Company's business by self including travel, hotel and other related expenses for himself incurred in India and abroad;

   ii) Provision of two cars with drivers for use on Company's business;

   iii) Telephone at residence for official purpose;

   iv) Expenses incurred in respect of books and periodicals at actual against submission of supporting/s;

   v) Subscription or reimbursement of club fees on actual basis.

**RESOLVED FURTHER THAT** in the financial year during the currency of the tenure of Mr. Bimal Thakkar (DIN: 00087404) as the Chairman, Managing Director & CEO, if the Company has no profits or its profits are inadequate, the remuneration to be paid to Mr. Bimal Thakkar (DIN: 00087404), shall be as per monetary ceiling prescribed in Section II of Part II of Schedule V of the Companies Act, 2013 or as may be modified from time to time or such monetary limits as may be prescribed by the Central Government from time to time."

(5) To consider and if thought fit to pass, the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Viren A. Merchant (DIN: 00033464), Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act read with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Regulation 16 and 25 and who is eligible for appointment be and is hereby re-appointed as an Independent Director of the Company for the second consecutive term of five years with effect from September 24, 2019 upto September 23, 2024."

(6) To consider and if thought fit to pass, the following resolution as a **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Ravinder Kumar Jain (DIN: 00652148), Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act read with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Regulation 16 and 25 and who is eligible for appointment be and is hereby re-appointed as an Independent Director of the Company for the second consecutive term of five years with effect from September 24, 2019 upto September 23, 2024."

(7) To consider and, if thought fit, to pass with or without modification/s, the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 161 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions, including any statutory amendment(s) or modification(s) thereto or enactment or re-enactment thereof for the time being in force and Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and pursuant to the recommendation of the Nomination and Remuneration Committee and Board of Directors, Mr. Jay M. Mehta (DIN: 00152072), who was appointed as an Additional Director in the category of 'Non-Executive Non-Independent Director' with effect from February 12, 2019 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Non-Executive Non-Independent Director of the Company liable to retire by rotation."

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

"**RESOLVED THAT** pursuant to the provisions of Section 188(1)(a) to (d) and all other applicable provisions of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called 'the Board' which term shall be deemed to include any committee which the Board may constitute for this purpose) for renewal of contracts with the Related parties as set out below and in which Mr. Bimal Thakkar, Chairman, Managing Director & CEO is deemed to be interested, to sell, purchase and/or supply of any of goods or materials, to lease property and to avail or render any service of any nature, as the Board in its discretion deem proper, as per the terms and conditions set out and in the explanatory Statement annexed to Notice convening this meeting;

| Name of Related Party | Nature of relationship | Particulars of the contract or arrangement | Nature, material terms, monetary value (Rs. in crore) (per annum) | Any other information relevant or important for the members to make a decision on the proposed transaction |
|---|---|---|---|---|
| ADF Foods (India) Ltd. | Wholly owned subsidiary | Sale, purchase or supply of any goods or materials and/ or availing/ rendering of any services and/ or leasing of property | 50.00 | Duration of Contract is from 1st April, 2020 to 31st March, 2023. |
| ADF Foods UK Ltd. | Wholly owned subsidiary | Sale, purchase or supply of any goods or materials and/ or availing/ rendering of any services | 50.00 | Duration of Contract is from 1st April, 2020 to 31st March, 2023. |
| ADF Holdings USA Ltd. | Step down Subsidiary | Sale, purchase or supply of any goods or materials and/ or availing of any services | 50.00 | Duration of Contract is from 1st April, 2020 to 31st March, 2023. |
| ADF Foods USA Ltd. | Step down Subsidiary | Sale, purchase or supply of any goods or materials and/ or availing/ rendering of any services | 50.00 | Duration of Contract is from 1st April, 2020 to 31st March, 2023. |
| M H Foods Pvt. Ltd | Director's relatives holding position of Director in M H Foods Pvt. Ltd. | Sale, purchase or supply of any goods or materials and/ or availing/ rendering of any services | 0.10 | Duration of Contract is from 1st April, 2020 to 31st March, 2023. |

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and to sign all such documents and writings as may be necessary, expedient and incidental thereto including all the negotiations and settlements, to give effect to this resolution and for matter connected therewith or incidental thereto in the best interest of the Company."

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

**"RESOLVED THAT** in compliance with Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory amendments or modifications thereto or any re-enactments or substitutions made thereof for the time being in force and other applicable provisions, and subject to necessary approvals from the SEBI Board, Stock Exchanges and other appropriate statutory authorities, as may be necessary, the consent of the Members of the Company be and is hereby accorded to re-classify Mr. Ashok H. Thakkar and Mr. Mishal A. Thakkar (hereinafter individually & jointly referred to as the 'applicants') in view of their application dated May 31, 2019 from 'Promoter/ Promoter Group' category to 'Public' category in respect of 11,354 equity shares (representing 0.06% of paid-up share capital) held by Mr. Ashok H. Thakkar and 28,966 equity shares (representing 0.14% of paid-up share capital) held by Mr. Mishal A. Thakkar;

**RESOLVED FURTHER THAT,** on approval of the SEBI Board/ Stock Exchange(s) upon application for reclassification of the aforementioned applicants, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31A of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and in compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and other applicable provisions;

**RESOLVED FURTHER THAT** Mr. Bimal R. Thakkar, Chairman, Managing Director & CEO (DIN: 00087404) and/or Ms. Shalaka Ovalekar, Company Secretary or such other person as authorized by the Board, be and are hereby severally authorized to make application for re-classification to the SEBI Board, Stock Exchanges, wherein the securities of the Company are listed or any other regulatory body, as may be required, and to take such steps expedient or desirable to give effect to this resolution;

**RESOLVED FURTHER THAT** Mr. Bimal R. Thakkar, Chairman, Managing Director & CEO (DIN: 00087404) and Ms. Shalaka Ovalekar, Company Secretary be and are hereby severally authorized to sign applications, deeds, documents, papers etc. and take necessary actions in the matter from time to time."

## NOTES

1. **A member entitled to attend and vote at the Annual General Meeting ("AGM") is entitled to appoint one or more proxies to attend and vote instead of himself/ herself and such proxies need not be members of the Company. In order to be valid, proxy forms duly complete in all respects, should be lodged with the Company at its Registered Office not later than forty-eight hours before the commencement of the meeting.**

   **A person can act as a proxy on behalf of members not exceeding Fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**

   **The Proxy Holder shall provide his/ her identity at the time of attending the meeting.**

   During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 3 days of notice in writing is given to the Company.

   Corporate members intending to send their authorized representatives to attend the Annual General Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution together with their specimen signatures authorizing their representative(s) to attend and vote at the Annual General Meeting.

2. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 relating to ordinary / special business to be transacted at the meeting is annexed hereto.

3. The relevant details of Directors seeking appointment / reappointment under Item No. 5, 6 and 7 of the Notice, as required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereafter referred as the SEBI LODR Regulations, 2015) and Secretarial Standards 2 are also annexed.

4. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 19th September, 2019 to Wednesday, 25th September, 2019 (both days inclusive).

5. All the documents, papers, agreements, etc. referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during the business hours on all working days except Saturdays, Sundays & Public Holidays between 11.00 a.m. to 1.00 p.m. upto the date of Annual General Meeting. Further, the copies thereof are also available for inspection at the Corporate office of the Company situated at Marathon Innova, B2, G01, Ground Floor, G. K. Road, Lower Parel, Mumbai - 400 013 upto the date of Annual General Meeting. The same are also available for inspection by members at the Annual General Meeting.

6. The Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI) have advised all listed companies to mandatorily use the Electronic Clearing Services (ECS) mandate facility wherever possible for payment of dividend to the Members. In view of this stipulation, the Company has implemented the ECS facility. Members holding shares in physical form are requested to provide the Company with ECS details for crediting the future dividend payment directly to their respective bank accounts. The Company shall be able to co-ordinate with the bankers only on receipt of necessary information. The Members holding shares in electronic form may instruct their Depository Participants (DPs) accordingly.

7. Members are hereby informed that dividends for the Financial Years 2011-12, 2012-13, 2013-14, 2014-15 and 2016-17 remaining unpaid or unclaimed over a period of seven years from the date of transfer of such dividends to the respective Unpaid Dividend Account(s) of the Company have to be transferred by the Company to the Investor Education and Protection Fund (IEPF). During the year under review, dividends pertaining to the financial year 2010-11 (Final) amounting to Rs. 9,10,280/- which remained unpaid or unclaimed for a period of 7 consecutive years were transferred by the Company to the Investor Education and Protection Fund.

   The following are the details of dividends declared by the Company and their respective due dates of transfer to IEPF, which remain unencashed /unclaimed.

| Year | Type of Dividend | Dividend per share | Date of Declaration | Due date for transfer to IEPF |
|---|---|---|---|---|
| 2011-12 | Final | Rs. 1.50 | 8th August 2012 | 8th September, 2019 |
| 2012-13 | Final | Rs. 1.50 | 31st July, 2013 | 31st August, 2020 |
| 2013-14 | Final | Rs. 1.50 | 24th September, 2014 | 24th October, 2021 |
| 2014-15 | Final | Rs. 1.50 | 30th September, 2015 | 30th October, 2022 |
| 2016-17 | Final | Rs. 2.50 | 23rd August, 2017 | 23rd August, 2024 |

   The Members are requested to encash their Dividend Warrants for these years, if not already done.

   In accordance with the IEPF Rules, the Company has sent letter dated 25th June, 2019 to the Members whose dividend amounts from the year 2011-12 were outstanding as per the Company's records and are requested to claim the same before being transferred to the IEPF Authority. The Company has also uploaded the details of such Members and shares due for transfer to the IEPF Authority on its website www.adf-foods.com under the heading "IEPF Transfer List" to enable such Members to verify the details of unencashed dividends and the shares liable to be transferred to the IEPF Authority.

   Members are requested to note that no claim shall lie against the Company in respect of any shares/ dividend so transferred to the IEPF Authority.

As per Section 124(5) of the Companies Act, 2013 , the Company has transferred the shares of those shareholders whose dividend remained to be encashed /claimed for seven consecutive years or more. The details of such shareholders have been uploaded on the Company's website under the heading "IEPF Transfer List" .

8. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios along with relevant share certificates to the Company's Registrar & Transfer Agents.

9. Members holding shares in physical form are requested to notify/ send the following to the Company's Registrar and Share Transfer Agents to facilitate better service:
   - any change in their address/ mandate/ bank details
   - particulars of their bank account in case the same have not been sent earlier, and
   - share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of names for consolidation of such shareholdings into one account.

10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents.

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

12. Members who would like to ask any questions on the Financial Statements are requested to send their questions to the Registered Office of the Company atleast 10 days before the Annual General Meeting to enable the Company to answer their queries satisfactorily.

13. The Members or proxies are requested to bring the attendance slip duly filled in and signed for attending the meeting. They are also requested to bring their copies of Annual Report to the Annual General Meeting.

14. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

    The Register of Contracts and Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address with the Depository Participants ('DP') for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

16. Pursuant to the provisions of Section 101 and Section 136 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and in terms of Regulation 36 of the SEBI LODR Regulations, 2015, as amended, electronic copy of the Annual Report 2018-19 is being sent to the members whose e-mail IDs are registered with the Company/ Depository Participant(s) (in case of shares held in demat form) or with Link Intime India Private Limited (in case of shares held in physical form), for communication purpose unless any member has requested for a physical copy of the same. For members who have not registered their e-mail address, physical copies of the Annual Report 2018-19 is being sent in the permitted mode.

    Members may also note that the Notice of the 29$^{th}$ Annual General Meeting and the Annual Report 2018-19 will be available on the Company's website www.adf-foods.com.

17. Nomination facility for shares is available for members. For members holding shares in physical form, the prescribed form can be obtained from the Company's Registrar and Share Transfer Agents, M/s. Link Intime (India) Private Limited having address at C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (W), Mumbai - 400 083. For Members holding shares in electronic form, you are requested to approach your Depository Participant (DP) for the same.

18. To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to register their email ids with M/s. Link Intime (India) Private Limited for receiving the Annual Report and other communications through electronic mode pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended.

19. The Route map of the Venue of the AGM is annexed to this Notice.

20. Voting through electronic means:

    In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Link Intime India Private Limited (LIIPL), on all resolutions set forth in this Notice.

    **The instructions for e-voting are as under:**

    I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 (Amended Rules 2015) and Regulation 44 of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members the facility to exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Link Intime India Private Limited (LIIPL).

       The facility for voting through ballot paper shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

    II. The Member(s) who have cast their vote by remote e-voting prior to the Annual General Meeting, can attend and participate in the Annual General Meeting but shall not be entitled to vote again.

    III. The remote e-voting period commences on Saturday, 21st September, 2019 and ends on Tuesday, 24th September, 2019. During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, 18th September, 2019, may cast their vote by remote e-voting. Remote e-voting shall not be allowed beyond the said date and time. The remote e-voting module shall be disabled by LIIPL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

       A person who is a Member as on the cut-off date shall only be entitled for availing the Remote e-voting facility or voting by ballot paper, as the case may be, in the General Meeting.

       A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

    IV. The process and manner for remote e-voting is as under:

       1. Visit the e-voting system of LIIPL. Open web browser by typing the following URL: https://instavote.linkintime.co.in.
       2. Click on "Login" tab, available under 'Shareholders' section.
       3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
       4. Your User ID details are given below:
          a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID.
          b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID.
          c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

5. Your Password details are given below:

   If you are using e-Voting system of LIIPL: https://instavote.linkintime.co.in for the first time or if you are holding shares in physical form, you need to follow the steps given below:

   Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

| For Shareholders holding shares in Demat Form or Physical Form | |
|---|---|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders).<br>Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form/ Attendance Slip indicated in the PAN Field. |
| DOB/ DOI | Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format. |
| Or | |
| Dividend Bank Details | Enter the Dividend Bank Details (Last 4 Digit) as recorded in your demat account or in the company records for the said demat account or folio number.<br>Please enter the DOB/ DOI or Dividend Bank Details in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction (iv-c). |

   If you are holding shares in demat form and had registered on to e-Voting system of LIIPL: https://instavote.linkintime.co.in, and/ or voted on an earlier voting of any company then you can use your existing password to login.

   **If Shareholders holding shares in Demat Form or Physical Form have forgotten password:**

   Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

   Incase shareholder is having valid e-mail address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/ her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details, etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

   NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIIPL.

   For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

   It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.

7. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

   Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

   Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.

8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
9. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
11. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

**General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to e-Voting system of LIIPL: https://instavote.linkintime.co.in and register themselves as 'Custodian/ Mutual Fund/ Corporate Body'.

  They are also required to upload a scanned certified true copy of the Board Resolution/ authority letter/ power of attorney, etc. together with attested specimen signature of the duly authorized representative(s) in PDF format in the 'Custodian/ Mutual Fund/ Corporate Body' login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/ demat account shall choose the voting process separately for each of the folios/ demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or write an email to enotices@linkintime.co.in or Call us: Tel : 022 - 4918 6000.

  A copy of this Notice has been placed on the website of the Company and the website of Link Intime India Pvt. Ltd.

  The voting period begins on Saturday, 21st September, 2019 and ends on Tuesday, 24th September, 2019. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e Wednesday , 18th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by Link Intime India Pvt. Ltd. for voting thereafter.

  The Scrutinizer shall, after the time for voting is over, unblock the votes cast through e-voting in presence of atleast 2 witnesses not in employment of the Company and, not later than Friday, 27th September, 2019 submit a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing and shall declare the result of the voting forthwith not later than Friday, 27th September, 2019, in the format prescribed under Regulation 44(3) of the SEBI (LODR) Regulations, 2015.

V. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company and Link Intime India Pvt. Ltd. immediately after declaration of results by the Chairman or person authorized by him in writing. The results would be communicated to BSE Limited/ National Stock Exchange of India Limited and will be placed on their website thereafter. The result will also be displayed on the Notice Board of the Company at its Registered Office and the Corporate Office.

Mumbai, 10th August, 2019

By order of the Board

**For ADF FOODS LIMITED**

**Shalaka Ovalekar**
**Company Secretary**
**ACS 15274**

**Regd. Office** :
83/86 GIDC Industrial Estate, Nadiad 387001, Gujarat
Tel.: 0268-2551381/2, Fax. : 0268-2565068;
E-mail: info@adf-foods.com;
website: www.adf-foods.com
CIN: L15400GJ1990PLC014265

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

Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 102(1) of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to Item Nos. 3 to 9 of the Notice.

**Item No. 3:**

**Re-appointment of M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants as the Statutory Auditors of the Company:**

The Members of the Company, at the Twenty Forth Annual General Meeting (AGM) held on September 24, 2014 had approved the appointment of M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, Mumbai (Registration No. 104607W/W100166) as the Statutory Auditors of the Company to hold office from the conclusion of the Twenty Forth AGM till the conclusion of the Twenty Ninth AGM, at a remuneration as may be recommended by the Audit Committee and fixed by the Board of Directors of the Company in addition to out of pocket expenses as may be incurred by them during the course of the Audit. The aforesaid term of appointment will expire at the conclusion of the Twenty Ninth AGM and as per the provisions of Section 139 of the Companies Act, 2013 ('the Act') (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), audit firm can be re-appointed for the second consecutive term of five years, i.e. from the conclusion of the Twenty Ninth AGM till the conclusion of the AGM to be held for the F.Y. 2023-24.

1. M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants have provided their consent for re-appointment as the Statutory Auditors of the Company along with the eligibility certificate, inter alia stating that they are not disqualified for appointment as the Statutory Auditors of the Company under the Companies Act, 2013, The Chartered Accounts Act, 1949 and the Rules and Regulations made thereunder.

2. Basis of recommendation for re-appointment including the details in relation to and credentials of the statutory auditors: M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants audit various companies listed on stock exchanges in India. Their methodology, working environment, training programs and technical resources have added a lot of value to the company in the past five years. The firm is a member firm of Mazars SCRL and has access to their licensed global audit methodology and software. They have broad and deep exposure and understanding of our business and coupled with their understanding of the dynamics and complexities of this sector, enables them to leverage their collective knowledge and experience gained across the sector along with the synergies of experience with other clients in this sector.

3. Based on the recommendation of the Audit Committee and pursuant to the provisions of Sections 139, 142 and all other applicable provisions of the Act, read with the Companies (Audit and Auditors) Rules, 2014 and all other applicable rules made under the Act, the Board of Directors has considered and recommended the proposed re-appointment of M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, as the Statutory Auditors of the Company for the second consecutive term of five years commencing from the conclusion of the Twenty Ninth AGM till the conclusion of the AGM to be held for the F.Y. 2023-24.

4. It is proposed to re-appoint M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants as the Statutory Auditors at a remuneration of Rs.16,25,000/- plus applicable taxes and reimbursement of out of pocket expenses incurred be paid to M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants for the Financial Year 2019-20 and for the subsequent financial years remuneration shall be fixed by the Board of Directors of the Company.

5. Relevant documents are available for inspection by the members and such documents shall be so made available for inspection in physical or in electronic form during the business hours on working day at the Registered Office of the Company and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company and also at the AGM without payment of fee.

6. Consent of the Members is sought for passing the ordinary resolution as set out at Item No. 3 of the notice for the re-appointment of the auditors of the Company. None of the Directors, Key Managerial Personnel of the Company or their respective relatives are, in way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the notice. The Board of Directors recommends the Ordinary Resolution set out at Item No. 3 of the notice for approval of the Members.

**Item No. 4:**

**Approval for making structural changes in remuneration of Mr. Bimal Thakkar, Chairman, Managing Director & CEO:**

The current appointment term of Mr. Bimal Thakkar, Chairman, Managing Director & CEO is for a period of 5 years w.e.f October 01, 2018.

It is proposed to make structural changes in the remuneration of Mr. Bimal Thakkar w.e.f. May 1 , 2019 till the remaining tenure of his appointment term i.e. till September 30, 2023, subject to the approval of the Members in the ensuing Annual General Meeting. It is proposed to revise the remuneration structure of Mr. Bimal Thakkar by making the same commission based instead of the current structure based on fixed salary and variable pay.

The current remuneration structure entitles Mr. Bimal Thakkar to draw remuneration within the limits prescribed Section(s) 197, 198 and Schedule V of the Companies Act, 2013. The said criteria will be applicable to the revised remuneration structure as well.

The existing remuneration structure of Mr. Bimal Thakkar as approved by the Shareholders in their meeting held on 15th September, 2018 is as under:

I. Fixed pay : Fixed pay comprises of the following components :

   a) Monthly basic salary;

   b) House rent allowance;

   c) Reimbursement of medical expenses incurred by him and his family subject to a ceiling of half month's basic salary in a year;

   d) Leave Travel allowance for himself and his family once in a year subject to a ceiling of half month's basic salary in a year;

   e) Leave encashment as per the Company's policy. In case leave is not availed of, encashment of the same will be done at the end of his tenure under the Agreement ;

   f) Personal Accident Insurance and mediclaim insurance for self and family not exceeding Rs. 30,000;

   g) Contribution to the Company's Provident Fund, Superannuation Fund and Annuity Fund, as may be applicable, in accordance with the rules of the Funds ;

   h) Gratuity payable in accordance with the Company's scheme.

   The initial fixed pay will be Rs.10 Lakhs per month from 01st October , 2018 till 31st March, 2019. For the subsequent financial years , the annual increment in the fixed pay will be decided by the Board of Directors subject to maximum ceiling of 5% .

II. Variable pay : Variable pay comprises of Performance based incentives linked with the performance parameters as may be fixed by the Board of Directors from time to time . The quantum of annual variable pay will be decided by the Board of Directors after review of the audited financial results for the financial year for which the performance review has been done.

III. Reimbursement of expenses: Reimbursement of the expenses including but not limited to the following expenses actually and properly incurred by him for the business of the Company and will not be considered as perquisite :

   1) Actual expenses incurred for the Company's business by self and the spouse including travel, hotel and other related expenses for himself and spouse incurred in India and abroad ;

   2) Provision of two cars with drivers for use on Company's business ;

   3) Telephone at residence for official purpose ;

   4) Expenses incurred in respect of books and periodicals at actual against submission of supporting/s ;

   5) Subscription or reimbursement of club fees on actual basis.

The rationale for the proposed revision in the remuneration structure of Mr. Bimal Thakkar is as under:

Mr. Bimal Thakkar has contributed immensely towards the sustained growth of the Company since his appointment as director in the year 2003. Considering the active and vital role played by Mr. Bimal Thakkar in setting up and growing the business of subsidiaries as well , it is proposed to pay him remuneration by way of commission based on percentage of Profit Before Tax of ADF Foods Ltd in compliance with the applicable laws and/or commission based on percentage of Net sales of the overseas subsidiary/subsidiaries i.e. ADF Foods (USA) Ltd. or ADF Foods UK Ltd. The proposed commission will be calculated based on the audited financial statements of the relevant Financial Year of the concerned entity. The annual gross remuneration payable during the financial year will be within the overall limits prescribed under Section(s) 197, 198 and Schedule V of the Companies Act, 2013.

In the financial year during the currency of the tenure of Mr. Bimal Thakkar as the Chairman, Managing Director & CEO, if the Company has no profits or its profits are inadequate, the remuneration to be paid to Mr. Bimal Thakkar, shall be as per monetary ceiling prescribed in Section II of Part II of Schedule V of the Companies Act, 2013 or as may be modified from time to time or such monetary limits as may be prescribed by the Central Government from time to time.

The other prevailing appointment terms of Mr. Bimal Thakkar would remain unchanged.

The Nomination and Remuneration Committee and the Board of Directors at their Meetings held on March 13, 2019 respectively approved and recommended to the Members the aforesaid variation in terms of remuneration of Mr. Bimal Thakkar, Chairman, Managing Director & CEO w.e.f. May 1, 2019.

Mr. Bimal R. Thakkar is interested in the Resolution set out at Item No. 4 of the Notice, which pertains to variation in terms of his remuneration.

The relatives of Mr. Bimal R. Thakkar may be deemed to be interested in the aforesaid resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors /Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 4 of the accompanying Notice.

The Board recommends the Resolution as set out at Item No. 4 of the notice for the Member's approval as Special Resolution.

**Item Nos. 5 and 6:**

**Re-appointment of Mr. Viren A. Merchant (DIN: 00033464) and Mr. Ravinder Kumar Jain (DIN: 00652148) as Independent Directors of the Company:**

The Company had, pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Act, which came into force effective from April 01, 2014 and Rules framed thereunder and the erstwhile Clause 49 of the Listing Agreement executed with the stock exchanges, at the 24$^{th}$ Annual General Meeting of the Company held on September 24, 2014, appointed Mr. Viren Merchant and Mr. Ravinder Jain, as Independent Directors, for a period of five consecutive years from September 24, 2014. Their initial term of appointment expires on September 23, 2019 and they are eligible for re-appointment for another consecutive term upto 5 years.

Considering their expertise and experience in various functional areas, contributions in strategic initiatives, upholding governance practices and basis the performance evaluation, the Members of Nomination and Remuneration Committee, in their meeting held on May 22, 2019, recommended re-appointment of Mr. Viren Merchant and Mr. Ravinder Kumar Jain as Independent Directors for another consecutive term of five years effective from September 24, 2019. The Board in its meeting held on May 22, 2019, considered the proposal and recommended the same for the approval of the Members of the Company, in accordance with the provisions of Section 149 read with Schedule IV to the Act. The office of both the Independent Directors shall not be liable to retire by rotation as provided under Section 152(6) of the Act.

The Company has received declaration from Mr. Viren Merchant and Mr. Ravinder Kumar Jain confirming the criteria of Independence as prescribed under Regulation 16 and Regulation 25(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Sub-section (7) of Section 149 of the Act. Further, both the Directors are not disqualified from being appointed as Directors in terms of Section 164 of the Act.

Disclosure under Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Statement setting out material facts.

Except Mr. Viren A. Merchant, Mr. Ravinder Kumar Jain and their respective relatives, none of the other Director and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the Resolutions set out at Item Nos. 5 and 6 of the Notice of the Annual General Meeting. This Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board recommends passing of the Resolutions as set out at Item Nos. 5 and 6 of the Notice of the AGM as Special Resolution.

**Item No. 7:**

**Appointment of Mr. Jay Mehta as a Non-Executive Non-Independent Director:**

The Board of Directors in their meeting held on February 12, 2019 appointed Mr. Jay Mehta as an Additional Director in the category of Non-Executive Non-Independent Director of the Company with effect from February 12, 2019, pursuant to the provisions of Section 161 of the Companies Act, 2013, to hold office upto the date of the Twenty-Ninth Annual General Meeting.

The Company has received from Mr. Jay Mehta: (i) consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and (ii) intimation in Form DIR-8 in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under the provisions of sub-section (2) of Section 164 of the Companies Act, 2013.

The Board of Directors at its meeting held on February 12, 2019, based on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mr. Jay Mehta (DIN: 00152072) as Non-Executive Non-Independent Director of the Company with effect from the date of the Twenty-Ninth Annual General Meeting, subject to the approval of the Members of the Company and other regulatory approvals, if any.

In the opinion of the Board of Directors, Mr. Jay Mehta (DIN: 00152072) fulfills the conditions specified in the Act and the rules made thereunder for his appointment as Non-Executive Non-Independent Director of the Company.

In view of the above, it is proposed to appoint Mr. Jay Mehta (DIN: 00152072) as the Non-Executive Non-Independent Director of the Company with effect from the date of the Twenty-Ninth Annual General Meeting, subject to the approval of the Members of the Company and other regulatory approvals, if any.

As per the requirements of Regulation 36(3) of and Secretarial Standard 2, issued by the Institute of Company Secretaries of India, the required details of Mr. Jay Mehta (DIN: 00152072) is appended in the Annexure forming part of the Notice.

Except Mr. Jay Mehta (DIN: 00152072) and his relatives, none of the other Directors and Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the passing of resolution set out at Item No. 7 of the accompanying Notice.

The Board recommends passing of the Resolution as set out at Item No. 7 of the Notice of the AGM as an Ordinary Resolution.

**Item No. 8:**

**Approval for renewal of Related Party contracts:**

Pursuant to provisions of Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had sought the Member's approval vide Special Resolution in the Annual General Meeting held on September 28, 2016 for the following Related Party Contracts for a period of three years w.e.f. April 01, 2017 till March 31 , 2020.

Accordingly, as required under Companies Act, 2013 and subject to Member's approval, the Audit Committee in its meeting held on 8th August, 2019 and Board of Directors of your Company in their meeting held on 10th August, 2019 have approved the renewal of these Related Party Contracts along with the limits stated below for a further period of three years from 1st April, 2020 to 31st March, 2023.

The Particulars of the Related Party contracts pursuant to para 3 of Explanation (1) to Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

| Name of Related Party | Nature of relationship | Particulars of the contract or arrangement | Nature, material terms, monetary value (Rs. in crore) (per annum) | Any other information relevant or important for the members to make a decision on the proposed contract |
|---|---|---|---|---|
| ADF Foods (India) Ltd. | Wholly owned subsidiary | Sale, purchase or supply of any goods or materials and/ or availing/ rendering of any services and/ or leasing of property | 50.00 | Duration of Contract is from 1st April, 2020 to 31st March, 2023.<br>Notice period – three months |
| ADF Foods UK Ltd. | Wholly owned subsidiary | Sale, purchase or supply of any goods or materials and/ or availing/ rendering of any services | 50.00 | Duration of Contract is from 1st April, 2020 to 31st March, 2023.<br>Notice period – three months |
| ADF Holdings USA Ltd. | Step down Subsidiary | Sale, purchase or supply of any goods or materials and/ or availing of any services | 50.00 | Duration of Contract is from 1st April, 2020 to 31st March, 2023.<br>Notice period – three months |
| ADF Foods USA Ltd. | Step down Subsidiary | Sale, purchase or supply of any goods or materials and/ or availing/ rendering of any services | 50.00 | Duration of Contract is from 1st April, 2020 to 31st March, 2023.<br>Notice period – three months |
| M H Foods Pvt. Ltd | Director's relatives holding position of Director in M H Foods Pvt. Ltd. | Sale, purchase or supply of any goods or materials and/ or availing/ rendering of any services | 0.10 | Duration of Contract is from 1st April, 2020 to 31st March, 2023. |

Further, pursuant to second proviso of Section 188(1) of the Act, no Member shall vote on such resolution, to approve any contract or arrangement which may be entered by the Company, if such member is a related party. Also pursuant to Regulation 23(4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 , no related party shall vote to approve such resolution, whether the entity is a related party to the said contract or not.

The Audit Committee and Board of Directors have approved this item in the meeting held on August 10, 2019 respectively and recommend the resolution as set out in the accompanying Notice for the approval of Members of the Company as an Ordinary Resolution.

The draft copy of respective Agreement(s) setting broad terms and conditions and other relevant documents, register etc. are open for inspection during the business hours between 11.00 a.m. to 1.00 p.m. on all working days except Saturday, Sunday and public holidays at the Registered Office of the Company upto the date of Annual General Meeting.

Mr. Bimal R. Thakkar is deemed to be interested in the resolution set out at Item No. 8 of the Notice .

The relatives of Mr. Bimal R. Thakkar may be deemed to be interested in the aforesaid resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

The Board recommends passing of the Resolution as set out at Item No. 8 of the Notice of the AGM as an Ordinary Resolution.

**Item No. 9:**

**Reclassification of shareholding of Mr. Ashok H. Thakkar and Mr. Mishal A. Thakkar from 'Promoter & Promoter Group' category to 'Public' category:**

Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'Listing Regulations, 2015'), effective from December, 2015, has provided a regulatory mechanism for re-classification of promoters as Public Shareholders subject to fulfillment of conditions as provided therein.

The Members may note that Mr. Ashok H. Thakkar and Mr. Mishal A. Thakkar, who form part of the Promoter group have submitted an application dated May 31, 2019 for reclassification of their shareholding in the Company from 'Promoter & Promoter Group ' category to 'Public' category.

The grounds for the proposed reclassification are as under:

- Mr. Ashok H. Thakkar has resigned from the directorship of the Company with effect from close of business hours of May 29, 2018. Further, he would not be involved in the management and day to day affairs of the Company.
- Mr. Mishal A. Thakkar is the son of Mr. Ashok H. Thakkar. He has resigned from the position of VP – Operations in the Company with effect from close of business hours of May 29, 2018. Further, he would not be involved in the management and day to day affairs of the Company.

Further they do not hold any key managerial position or representations of the Board of Directors in the Company and have not engaged in any management or day to day affairs of the Company. None of their act influences the decision taken by the Company and they do not have any special right through formal or informal arrangements with the Company or with any other Promoter(s) of the Company.

In view of the explanations given by the applicants as detailed above and in consideration to the conditions as stipulated in Regulation 31A of the Listing Regulations, 2015, as amended, the Board of Directors of the Company at their meeting held on 19th June, 2019, have approved the applications received by the Company as above for reclassification of shareholding from Promoter & Promoter Group category to Public category subject to approval by the Members and relevant regulatory authorities. As required, intimation has been sent to Stock Exchanges based on declaration received from the aforesaid persons.

None of the concerned persons, acting individually and in concert, directly or indirectly exercise control over the management and affairs of the Company. Their aggregate shareholding does not exceed 10% of the total share capital of the Company.

Further as per Rule 19A of the Securities Contracts (Regulation) Rules, 1957, as amended, the public shareholding as on date of the notice fulfills the minimum public shareholding requirement of atleast 25% and the proposed reclassification does not intend to increase the Public Shareholding to achieve compliance with the minimum public shareholding requirement.

The Board recommends the Resolution set out at Item No. 9 for the approval of Members as an Ordinary resolution.

Mr. Bimal R. Thakkar being a promoter is interested in the resolution set out respectively at Item No. 9 of the Notice.

The relatives of Mr. Ashok Thakkar and Mr.Mishal Thakkar may be deemed to be interested in the aforesaid resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

Mumbai, 10th August, 2019

By order of the Board

**For ADF FOODS LIMITED**

**Regd. Office** :
83/86 GIDC Industrial Estate, Nadiad 387001, Gujarat
Tel.: 0268-2551381/2, Fax. : 0268-2565068;
E-mail: info@adf-foods.com;
website: www.adf-foods.com
CIN: L15400GJ1990PLC014265

**Shalaka Ovalekar**
**Company Secretary**
**ACS 15274**

# ANNEXURE TO ITEM NOS. 5 TO 7 OF THE NOTICE OF THE AGM

Pursuant to Secretarial Standard 2 issued by the Institute of Company Secretaries of India and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the required details of the Directors proposed to be appointed/ re-appointed and the terms of proposed remuneration of the Directors are given herein below:

| **Particulars** | **Mr. Viren Merchant** | **Mr. Ravinder Kumar Jain** | **Mr. Jay Mehta** |
|---|---|---|---|
| **Director Identification Number** | 00033464 | 00652148 | 00152072 |
| **Age** | 53 Years | 72 Years | 58 Years |
| **Date of Birth** | 15th October, 1965 | 25th March, 1947 | 18th January, 1961 |
| **Date of Appointment on Board** | 3rd November, 2005. | 11th October, 2007 | 12th February, 2019 |
| **Qualifications** | Bachelor of Science | Chemical Engineering (IIT, Delhi) and Post Graduate Diploma in Business Administration (IIM Ahmedabad) | B.S. (Industrial Engineering), Columbia University, New York, U.S.A. and MBA from IMD, Lausanne, Switzerland. |
| **Experience/Expertise** | Mr. Viren A. Merchant has decades of experience and expertise in Business Management. He has worked as the Vice Chairman & C.E.O. of ZYG Pharma Pvt. Ltd., a leading manufacturer of Dermatological Creams, Ointments, Lotions and solutions manufactured in Technical Collaboration with Schering Plough Corporation, U.S.A. He has also worked as the Vice-Chairman & C. E. O. of Encore Healthcare Pvt. Ltd., a leading manufacturer of tablets, capsules and syrups. | Mr. Ravinder Kumar Jain started his career in 1971 with Warner Hindustan Ltd., a pharma company as a Product manager. He joined UB Group in 1974 as Brand Manager (Wines & Spirits) in Herbertsons Ltd. and moved on to Head of McDowell and Co., another group company. In 1992, he joined Shaw Wallace Ltd. as Managing Director which position he held until he left in 1999. Thereafter, he was Managing Director of Millennium Alcobev Pvt. Ltd., a joint Venture (JV) of Scottish & NewCastle, a British company, UB Group and himself. In 2006, he exited the JV by selling his stake to his other partners. In 2006, Mr. Jain promoted Vallee de Vin Pvt. Ltd, a company engaged in manufacture, branding and distribution of wines under the brand names of Zampa and One Tree Hill. In 2012, Vallee de Vin Pvt Ltd. merged with another leading wine company Grover Vineyard Ltd. to form Grover Zampa Vineyards Ltd. Company owns famous brands such as Grover La Reserve and Grover Art Collection etc.<br>Mr. Ravinder Kumar Jain has spent almost 40 years in beverage alcohol industry. He has been instrumental in developing several green field business in this industry as well as many well-known brands like McDowell's Whisky, Bagpiper Whisky, etc. Mr. Jain has also been involved in many mergers and acquisitions and has wide experience in managing of large conglomerates. | Mr. Jay M. Mehta is the Executive Vice Chairman of Gujarat Sidhee Cement Limited and Saurashtra Cement Limited and is on the Board of various other private and public limited companies. |

| Particulars | Mr. Viren Merchant | Mr. Ravinder Kumar Jain | Mr. Jay Mehta |
|---|---|---|---|
| **Terms and Conditions of Appointment or re-appointed along with remuneration** | Mr. Viren Merchant appointed as Independent Director for a period of 5 years with effect from September 24, 2019. He will be entitled to Sitting Fees / Commission and re-imbursement of expenses for attending the meetings of Board and Committees thereof. | Mr. Ravinder Jain appointed as Independent Director for a period of 5 years with effect from September 24, 2019. He will be entitled to Sitting Fees / Commission and re-imbursement of expenses for attending the meetings of Board and Committees thereof. | Mr. Jay Mehta appointed as Non Executive Non Independent Director with effect from the ensuing AGM. He will be entitled to Sitting Fees / Commission and re-imbursement of expenses for attending the meetings of Board and Committees thereof. |
| **The last drawn remuneration** | Not Applicable | Not Applicable | Not Applicable |
| **Shareholding in the Company** | 50,000 equity shares | 50,000 equity shares | 50,000 equity shares |
| **Relationship with Other Directors, Manager and other Key Managerial Personnel of the Company** | Mr. Viren Merchant is not related with any other Director, Manager, and Key Managerial Personnel of the Company. | Mr. Ravinder Jain is not related with any other Director, Manager, and Key Managerial Personnel of the Company. | Mr. Jay Mehta is not related with any other Director, Manager, and Key Managerial Personnel of the Company. |
| **The Number of Meetings of the Board attended during the year** | 6 | 6 | 4 |
| **Other Directorships** | • Encore Healthcare Private Limited<br>• Encore Healthcare International Private Limited<br>• ADF Foods (India) Limited<br>• ADF Foods (USA) Ltd.<br>• ADF Holdings (USA) Ltd.<br>• ADF Foods UK Ltd. | • Delta Corp Ltd.<br>• Nector Ramco Trading Private Limited<br>• Brovel Trading Private Limited<br>• Noble Newera Milestone Trading and Investment Private Limited<br>• Accra Investments Private Limited<br>• Orange City Properties Private Limited<br>• Nobel Feedback Computers Private Limited<br>• Spirit Marketing Private Limited<br>• Craft Brewerkz Private Limited<br>• Marvel Resorts Private Limited | • Gujarat Sidhee Cement Limited<br>• Saurashtra Cement Limited<br>• Metro Pizza Private Limited<br>• Goodkarma Hospitality Private Limited<br>• Indianapoli Hospitality Private Limited<br>• Omna Exports Private Limited<br>• Parsec Enterprises Private Limited<br>• Bhadra Textiles and Trading Private limited<br>• Reeti Investments Private Limited<br>• Pranay Holdings Limited<br>• Prachit Holdings Limited<br>• Ria Holdings Ltd<br>• Galaxy Technologies Private Limited<br>• Mehta Private Limited<br>• Agrima Consultants International Limited<br>• Arclightz and Films Private Limited<br>• Knight Riders Sports Private Limited |
| **Memberships/Chairmanship of Committees of other companies** | NIL | **Member:**<br>1. **Audit Committee** Delta Corp Limited & Marvel Resorts Private Limited<br>2. **Nomination & Remuneration Committee-** Marvel Resorts Private Limited | **Member:**<br>1. **Stakeholders Relationship & Shareholders Grievances Committee** - Gujarat Sidhee Cement Limited & Saurashtra Cement Ltd. |

**ADF FOODS LIMITED**

Route map to AGM Venue located at:

Nadiad Nagar Palika Ipcowala Town Hall, Near City Point, Paras Circle, Santram Road, Nadiad- 387 001