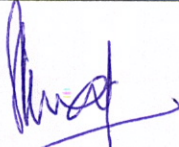
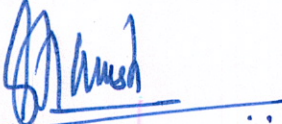
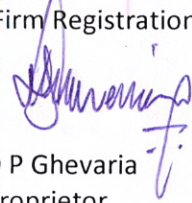
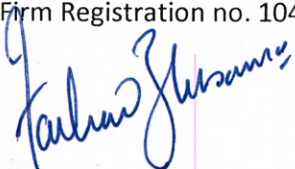



## FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchanges

1.	Name of the Company	ADF Foods Ltd.
2.	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2015
3.	Type of Audit observation	Unqualified/Matter of Emphasis
4.	Frequency of observation	Whether appeared first time.../ repetitive.../since how long period
5.	To be signed by-	
	CEO/Managing Director	 Bimal R. Thakkar Managing Director & CEO
	CFO	 Bhavesh R. Thakkar Executive Director & CFO
	Auditor of the Company	(1) For D P Ghevaria & Co., Chartered Accountants Firm Registration no. 103176W  D P Ghevaria Proprietor Membership no. 032431  (2) For Kalyaniwalla & Mistry Chartered Accountants Firm Registration no. 104607W  Farhad M. Bhesania Partner Membership No. 127355
	Audit Committee Chairman	 Nipun C. Shah Audit Committee- Chairman

25<sup>th</sup> ANNUAL REPORT 2014-15



**25** years of celebrating *Indian Taste*



## Chairman speaks

Dear Shareholders,

It is with great pride and pleasure that I announce the Silver Jubilee of our company, this year. For us it's been a journey from a humble beginning to a diverse business of various ethnic food products. Our range includes many ready to eat foods, Indian frozen snacks & breads, frozen Mexican and Mediterranean treats, meal accompaniments and spices. What made our journey meaningful was sensitizing ourselves to the tastes of millions of consumers in over 45 countries across the world. However success has not made us complacent. We continue to enrich the world with our culinary delights under our extensive brand portfolio of Ashoka, PJ's Organics, Camel, Aeroplane, Nate's, ADF SOUL and Truly Indian.

On the domestic front this year we took up the task of refreshing the flavor of our flagship brand, ADF SOUL. We spiced it up with a fresh new look and feel! New products like cooking pastes in user-friendly laminated packs were introduced for the first time in India. The Indian market had never seen such packing in this food category before. Little wonder that these were an instant hit.

ADF SOUL products now delight the shelves of top retail chains and grocery stores in many cities across India. We have also started tasting online success by tying up with some of the popular e-stores.

Our significant presence in the global food market has been a special ingredient for our success. This year, our extremely innovative product 'Nate's Mediterranean Bites' received an overwhelming response in the US market. While our US division continues to infuse the flavor of our core brands in major supermarket chains and natural grocery stores across the USA, we keep ensuring that aggressive advertising and marketing strategies boost our brand awareness endeavours in every way.

We also revamped the packaging of our leading global brands like Ashoka, Aeroplane and Camel to assure that they stand tall and proud while they rub shoulders with the best in International shelves.

The past year had its challenges with pressures on margins due to high input costs, yet we managed to improve the standalone revenues for the fiscal 2015 at ₹ 149.45 Crore as against ₹ 141.81 Crore in the previous year. The Net profit (after tax and extra ordinary items) for the year under review stood at ₹ 14.60 crore as against ₹ 12.45 crore in the previous year recording an increase of 17%.

Consolidated turnover for the Fiscal 2015 stood at ₹ 203.80 Crore as against ₹ 207.64 Crore in the previous year. Despite the revenue remaining almost at the same level as that of the previous year, the net profit (after tax and extra ordinary items) for the financial year was ₹ 8.84 Crore as against ₹ 5.65 Crores, recording an increase of 56%! Thanks to our experts brewing up special recipes in terms of right plans and strategies to tackle challenges and enrich our performance.

As we enter the Fiscal 2016, we continue to invest in our two relatively new businesses which is in India under the ADF SOUL brand and our U.S. business under the PJ's Organics and Nate's Brands.

Keeping in sync with our tradition of the past 11 years, this year too, the Board has recommended a 15% dividend to our shareholders.

I take this opportunity to thank my colleagues on Board and all the employees of the company for their all-time support and sincere efforts. Finally, I'd like to thank all the shareholders for backing ADF all these years. Without your confidence and trust we would never have been able to savour our success in the way we do now.

With warm regards,

Ashok H. Thakkar  
(Chairman)

## BOARD OF DIRECTORS

<b>BOARD OF DIRECTORS</b>	Mr. Ashok H. Thakkar	Chairman
	Mr. Bimal R. Thakkar	Managing Director & C.E.O
	Mr. Bhavesh R. Thakkar	Executive Director & C.FO
	Mr. Nipun C. Shah	Director
	Mr. Yasir J. Varawala	Director
	Mr. Jay M. Mehta	Director
	Mr. Viren A. Merchant	Director
	Mr. Ravinder Kumar Jain	Director
	Ms. Anjali Seth	Director (w.e.f. 10 <sup>th</sup> March, 2015)

<b>SENIOR MANAGEMENT</b>	Mr. Dilip S. Golwala	General Manager – Accounts
	Mr. Milroy Fernandes	General Manager – Finance
	Mr. Dinesh Jaiswal	General Manager – Works (Nashik)
	Mr. Raj Roop Singh	General Manager –Works (Nadiad)
	Mr. Maneck Katpitia	Vice President- International Business
	Mr. Soumyadeep Mukherjee	National Sales Manager (India)

**COMPANY SECRETARY & COMPLIANCE OFFICER** Ms. Shalaka Ovalekar

**COUNTRY MANAGERS**

Mr. Upinder Thakur	Ethnic Division- UK & Europe
Mr. Vimal Bhalla	North America
Mr. Prashant Patil	Asia Pacific & Africa

**STATUTORY AUDITORS** M/s. Kalyaniwalla & Mistry  
Chartered Accountants

**INTERNAL AUDITORS** M/s. Suresh Gandhi & Associates, Surat  
M/s. S M S R & Co., Mumbai

**SOLICITORS** M/s. DSK Legal

**BANKERS** State Bank of Hyderabad  
Bank of Baroda  
HDFC Bank Ltd.

**REGISTERED OFFICE** 83/86 G.I.D.C Industrial Estate,  
Nadiad- 387 001, Gujarat, India  
Tel.: 0268-2551381 / 2  
Fax: 0268-2565068  
E-mail: nadiadfactory@adf-foods.com

**CORPORATE IDENTITY NUMBER [CIN]** LI5400GJ1990PLC014265

**CORPORATE OFFICE** Sadhana House , Unit 2 B, 2nd Floor,  
570, P.B. Road, Worli, Mumbai - 400 018, India  
Tel.:022-6141 5555  
Fax: 022-6141 5577  
E-mail: info@adf-foods.com  
website: www.adf-foods.com

**REGISTRAR AND SHARE TRANSFER AGENTS** **LINK INTIME (INDIA) PRIVATE LIMITED**  
(Formerly known as Intime Spectrum Registry Limited)  
C-13, Pannalal Silk Mills Compound, L.B.S. Marg,  
Bhandup (W), Mumbai- 400 078, India  
Tel.: 022-25963838, Fax.: 022-25946969  
E-mail: rnt.helpdesk@linkintime.co.in  
website: www.linkintime.co.in

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### 25<sup>th</sup> Annual General Meeting

Wednesday, 30<sup>th</sup> September, 2015 at 1.00 p.m.

At Ipcowala Banquet Hall, Near Amba Ashram Mandir, College Road, Nadiad- 387 001, Gujarat

**As a measure of economy, copies of Annual Return will not be distributed at the Annual General Meeting.  
Shareholders are requested to kindly bring copies to the Meeting.**

## NOTICE OF THE 25<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the **Twenty Fifth Annual General Meeting** of **ADF FOODS LIMITED** will be held at Ipcowala Banquet Hall, Near Amba Ashram Mandir, College Road, Nadiad 387001, Gujarat on Wednesday, 30<sup>th</sup> September, 2015 at 1.00 p.m to transact the following business:

### ORDINARY BUSINESS

- (1) a) To receive, consider and adopt the Audited Financial Statements for the financial year ended 31<sup>st</sup> March 2015 together with the Reports of the Directors and Auditors thereon.  
b) To receive, consider and adopt the Consolidated Audited Financial Statements for the financial year ended 31<sup>st</sup> March 2015 together with the Report of the Auditors thereon.
- (2) To declare dividend on equity shares for the financial year ended 31<sup>st</sup> March 2015.
- (3) 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.
- (4) To appoint Auditors and to authorise 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 Sections 139, 142, 177 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory amendment(s) or modification(s) thereto or enactment or re-enactment thereof for the time being in force, and pursuant to the provisions of Clause 49 of the Listing Agreement, as amended, pursuant to the recommendation of the Audit Committee and pursuant to the resolutions passed by the members at the Annual General Meeting held on September 24, 2014, the appointment of M/s. Kalyaniwalla & Mistry, Chartered Accountants, Mumbai (Registration No. 104607W), as the Statutory Auditors of the Company to hold office till the conclusion of Annual General Meeting to be held for the Financial Year 2018-19 be and is hereby ratified and the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2016 as may be determined by the Audit Committee in consultation with Auditors.”

### SPECIAL BUSINESS

- (5) To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:-  
**“RESOLVED THAT**, pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory amendment(s) or modification(s) thereto or enactment or re-enactment thereof for the time being in force and pursuant to Clause 49 of the Listing Agreement, as amended, Ms. Anjali Seth (DIN: 05234352), who was appointed as an Additional Director with effect from March 10, 2015 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 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period upto March 9, 2020, not liable to retire by rotation.”
- (6) To consider and if thought fit to pass, with or without modification/s, the following resolution as an **Ordinary Resolution**:  
**“RESOLVED THAT** pursuant to 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) modification (s) thereto or enactment or re-enactment 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 and in terms of recommendation of the ‘Nomination and Remuneration Committee’ in its meeting held on 11<sup>th</sup> August, 2015, and the approval of the Board of Directors of the Company in its meetings held on 12<sup>th</sup> August, 2015, approval of members of the Company be and is hereby accorded to the re-appointment of Mr. Ashok H Thakkar (DIN: 00087465), Chairman of the Company to hold the office as a Whole Time Director, liable to retire by rotation, for a period of one year from 1<sup>st</sup> October, 2015 at the remuneration including perquisites set out in the draft

Agreement to be entered into between the Company and Mr. Ashok H Thakkar, tabled at the meeting and initialed by the Managing Director for the purpose of identification with authority to the Board of Directors to alter and vary the terms and conditions of said appointment and/or remuneration and/or agreement or any amendments thereto as may be agreed to between the Board and Mr. Ashok H Thakkar, subject to such other approvals of applicable authority(ies), if any, as may be required under the applicable law for such re-appointment/ alteration(s)/ variation(s)/ amendment(s);

**RESOLVED FURTHER THAT** where in the financial year during Mr. Ashok H Thakkar's term of office, the Company makes no profits or the profits made are inadequate, the Company may pay Mr. Ashok H Thakkar remuneration by way of salary and perquisites not exceeding the limits laid down in Section II of Part II of Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof as may be agreed to by the Board of Directors and Mr. Ashok H Thakkar;

**RESOLVED FURTHER THAT** any Director and/ or the Company Secretary of the Company be and is hereby authorised severally to do all such acts, deeds, matters and things as may be necessary or expedient to give effect to this resolution and matters incidental thereto."

- (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 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 enactment or re-enactment 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 and in terms of recommendation of the 'Nomination and Remuneration Committee' in its meeting held on 11<sup>th</sup> August, 2015 and the approval of the Board of Directors of the Company in its meetings held on 12<sup>th</sup> August, 2015 , approval of members of the Company be and is hereby accorded to the re-appointment of Mr. Bimal R. Thakkar (DIN: 00087404), the Managing Director of the Company to hold the office as a Managing Director , liable to retire by rotation, for a period of one year from 1<sup>st</sup> October, 2015 at the remuneration including perquisites set out in the draft Agreement to be entered into between the Company and Mr. Bimal R. Thakkar, tabled at the meeting and initialed by the Chairman for the purpose of identification with authority to the Board of Directors to alter and vary the terms and conditions of said appointment and/or remuneration and/or agreement or any amendments thereto as may be agreed to between the Board and Mr. Bimal R Thakkar, subject to such other approvals of applicable authority(ies), if any, as may be required under the applicable law for such re-appointment/ alteration(s)/ variation(s)/ amendment(s);

**RESOLVED FURTHER THAT** where in the financial year during Mr. Bimal R. Thakkar's term of office, the Company makes no profits or the profits made are inadequate, the Company may pay Mr. Bimal R. Thakkar remuneration by way of salary and perquisites not exceeding the limits laid down in Section II Part II of Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof as may be agreed to by the Board of Directors and Mr. Bimal R Thakkar;

**RESOLVED FURTHER THAT** any Director and/or Company Secretary of the Company be and is hereby authorised severally to do all such acts, deeds, matters and things as may be necessary or expedient to give effect to this resolution and matters incidental thereto."

- (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 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 enactment or re-enactment 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 and in terms of recommendation of the 'Nomination and Remuneration Committee' in its meeting held on 11<sup>th</sup> August, 2015 , and the approval of the Board of Directors of the Company in its meetings held on 12<sup>th</sup> August, 2015, approval of members of the Company be and is hereby accorded to the re-appointment of Mr. Bhavesh R. Thakkar (DIN: 00939805), Executive Director, to hold the office as a Whole Time Director, liable to retire by rotation, for a period of one year from 1<sup>st</sup> October, 2015 at the remuneration including

perquisites set out in the Explanatory Statement and draft Agreement to be entered into between the Company and Mr. Bhavesh R. Thakkar tabled at the meeting and initialed by the Chairman for the purpose of identification, with authority to the Board of Directors to alter and vary the terms and conditions of said appointment and/or remuneration and/or agreement or any amendments thereto as may be agreed to between the Board and Mr. Bhavesh R. Thakkar, subject to such other approvals of applicable authority(ies), if any, as may be required under the applicable law for such re-appointment/ alteration(s)/ variation(s)/ amendment(s);

**RESOLVED FURTHER THAT** where in the financial year during Mr. Bhavesh R. Thakkar’s term of office as Executive Director, the Company makes no profits or the profits made are inadequate, the Company may pay Mr. Bhavesh R. Thakkar remuneration by way of salary and perquisites not exceeding the limits laid down in Section II of Part II of Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof as may be agreed to by the Board of Directors and Mr. Bhavesh R. Thakkar;

**RESOLVED FURTHER THAT** any Director and/ or Company Secretary of the Company, be and is hereby authorised severally to do all such acts, deeds, matters and things as may be necessary or expedient to give effect to this resolution and matters incidental thereto.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 188(1)(c) and all other applicable provisions of the Companies Act, 2013 read with Rules made thereunder, including any statutory amendment(s) or modification(s) thereto or enactment or re-enactment thereof for the time being in force, the consent of the members of the Company by means of a Special Resolution 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 approval and ratification of the contract entered into with the related party for taking on lease a bungalow situated at 17, Ashoknagar CHS., Behind Railway Station, Nadiad – 387 002, Dist. Kheda, Gujarat for a period of 99 years w.e.f. 1<sup>st</sup> April, 2007 and in which Mr. Ashok H Thakkar and Mr. Bhavesh R. Thakkar, Whole Time Directors and Mr. Bimal R Thakkar, the Managing Director are interested, as per the terms and conditions as set out below 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	Any other information relevant or important for the members to make a decision on the proposed transaction
Mahalaxmi R. Thakkar	Relative of Directors viz Mr. Ashok H. Thakkar, Mr. Bimal R. Thakkar and Mr. Bhavesh R. Thakkar	Lease of bungalow at Nadiad transmitted in the name of Mrs. Mahalaxmi Ramesh Thakkar (Lessor) after death of Late. Shri Ramesh H. Thakkar	Rent – ₹ 50,000/- per annum and Interest Free Refundable Security Deposit of ₹ 15,00,000/-	Duration of Contract is for 99 years w.e.f. from 01 <sup>st</sup> April, 2007

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

(10) To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 188(1) (f) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, including any amendment(s) or modification(s) thereto or enactment or re-enactments thereof for time being in force, the approval of the Company be and is hereby accorded to the appointment of Mr. Mishal A Thakkar, a relative of a Director, Mr. Ashok H. Thakkar [DIN: 00087465] to hold an office of place of profit in the Company as Senior Manager (Operations), for a period of 1(one) year with effect from 1<sup>st</sup> October, 2015 on terms and conditions including remuneration as set out in the explanatory statement annexed to

the Notice convening this meeting and to his holding and continuing to hold an office or place of profit as such in the Company;

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and are hereby authorized severally to execute any statement, declaration, undertaking and do all such acts, deeds and things as are necessary to give effect to the aforesaid resolution and for matter connected therewith or incidental thereto in the best interest of the Company.”

(11) To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to provisions of Section 14 and other applicable provisions, if any, of Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 including any statutory amendment(s) or modification(s) thereto or enactment or re-enactment thereof for the time being in force, the new draft Articles as contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company, be and is hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution and matters incidental thereto.”

(12) To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, including any statutory amendment(s) or modification(s) or enactment or re-enactment made thereof for the time being in force, the Company hereby accords its approval to keep, maintain and preserve Register of Members together with the Index of members, the Register of debenture holders together with the Index of debenture holders, other registers, the copies of all Annual Returns to be filed under the Section 92 of the Companies Act, 2013 along with those filed under the provisions of Companies Act, 1956 together with the copies of certificates and documents required to be annexed thereto or any one or more of them, and/or any of the documents as required to be kept at the Registered office of the Company at Company’s head office currently situated at Sadhana House, Unit 2B, Second Floor, Worli, Mumbai-400 018 instead of being kept at the Registered Office of the Company with effect from 1<sup>st</sup> October, 2015;

**RESOLVED FURTHER THAT** the Directors and/or the Company Secretary of the Company be and are hereby authorized severally to execute any statement, declaration, undertaking and do all such acts, deeds and things as are necessary to give effect to the aforesaid resolution.”

**NOTES**

1. **A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself/ herself and such proxies need not be members. 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 and holding in the aggregate not more than ten percent 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 prove his/her identity at the time of attending the meeting.**

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 special business to be transacted at the meeting is annexed hereto.



3. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 23<sup>rd</sup> September, 2015 to Wednesday, 30<sup>th</sup> September, 2015 both days inclusive).
4. 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. and 1.00 p.m. upto the date of Annual General Meeting. Further, the copies thereof are also available for inspection at the head office of the Company situated at Sadhana House, Unit 2B, Second Floor, Worli, Mumbai-400 018 and also at the meeting.
5. The dividend, if any, which may be declared, shall be payable within 30 days from the date of declaration to those Members of the Company whose names appear:-
  - a) as Beneficial Owners as at the close of the business hours on Tuesday, 22<sup>nd</sup> September, 2015 as per the list to be furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd. in respect of the shares held in electronic form; and
  - b) as Members in the Register of Members of the Company as on Tuesday, 22<sup>nd</sup> September, 2015 in respect of shares held in physical form.
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 DPs accordingly.
7. Members are hereby informed that dividends for the Financial Years 2008-09, 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14 remaining unpaid or unclaimed over a period of seven years from the date of transfer of such dividends to the respective Unpaid Dividend Account of the Company have to be transferred by the Company to the Investor Education and Protection Fund (IEPF).

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
2008-09	Final	₹ 1.50	17 <sup>th</sup> June, 2009	16 <sup>th</sup> July, 2016
2009-10	Final	₹ 1.50	28 <sup>th</sup> July, 2010	28 <sup>th</sup> August, 2017
2010-11	Final	₹ 1.50	15 <sup>th</sup> July, 2011	17 <sup>th</sup> August, 2018
2011-12	Final	₹ 1.50	8 <sup>th</sup> August, 2012	9 <sup>th</sup> September, 2019
2012-13	Final	₹ 1.50	31 <sup>st</sup> July, 2013	31 <sup>st</sup> August, 2020
2013-14	Final	₹ 1.50	24 <sup>th</sup> September, 2014	24 <sup>th</sup> October, 2021

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

Members are requested to note that no claim shall lie against the Company or the said Fund in respect of any amounts which are unclaimed and unpaid for a period of seven years from the dates that they first become due for payment and no payment shall be made in respect of any such claims.

As per the notification issued by the Ministry of Corporate Affairs, the Company shall upload on its Website the list of Shareholders whose dividend has been determined as unpaid/ unclaimed pertaining to various Dividend accounts maintained by the Company from the Financial Year 2008-09 onwards. The said list shall be updated every year within Ninety (90) days from the date of Annual General Meeting.

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:
  - (i) any change in their address / mandate / bank details,
  - (ii) particulars of their bank account in case the same have not been sent earlier, and,
  - (iii) 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 the 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 & Transfer Agents.
11. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be printed on the Dividend Warrants as per the applicable regulations of the Depository. The Company will not act on any direct request from such members for change/ deletion in such bank details. Further, instructions if any, already given by them in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form. Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend, to their Depository Participants immediately.
12. Members who would like to ask any questions on the accounts are requested to send their questions to the Registered Office of the Company at least 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 Director 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 Arrangement 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 for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
16. Electronic copy of the Annual Report 2014-15 is being sent to the members whose e-mail IDs are registered with the Company/Depository Participant(s) 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 2015 is being sent in the permitted mode.  
Members may also note that the Notice of the 25<sup>th</sup> Annual General Meeting and the Annual Report 2015 and DRAFT new set of Articles of Association will also be available on the Company's website [www.adf-foods.com](http://www.adf-foods.com).
17. Nomination facility for shares is available for members. For members holding shares in physical form, the prescribed format can be obtained from the Company's Registrar and Share Transfer Agents, M/s Link Intime (India) Private Limited having address at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078. 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 relevant Companies (Management and Administration Rules), 2014, as amended.
19. 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 NSDL, 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 substituted by the Companies (Management and Administration) Amendment Rules, 2015 (Amended Rules 2015) and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 25<sup>th</sup> 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 National Securities Depository Limited (NSDL).
- II. 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. The shareholder who do not have access to e-voting or who do not wish to cast the vote electronically may request the Company for physical ballot paper for casting their vote, which will be provided by the Company upon request. Such ballot paper duly filled in may be sent to the Scrutinizer C/o ADF Foods Ltd., Sadhana House, Unit 2B, Second Floor, 570, P.B.Road, Worli, Mumbai -400 018 so as to reach the scrutinizer on or before 5.00 p.m. on 29<sup>th</sup> September, 2015.
- III. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may participate in the General Meeting even after exercising their right to vote through Remote e-voting but shall not be entitled to vote again;
- IV. The remote e-voting period commences on Saturday, 26<sup>th</sup> September, 2015 (9.00 a.m.) and ends on Tuesday, 29<sup>th</sup> September, 2015 (5.00 p.m.). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 23<sup>rd</sup> September, 2015, may cast their vote by remote e-voting. Remote e-voting shall not be allowed beyond the said date and time. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

Member as on the cut-off date shall only be entitled for availing the Remote e-voting facility or vote, 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.

- V. The process and manner for remote e-voting is as under:
  - A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/ Depositories):
    - (i) Open the e-mail and also open PDF file namely “ADF e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
    - (ii) Open the internet browser and type the following URL:  
**<https://www.evoting.nsdl.com>**.
    - (iii) Click on Shareholder – Login.
    - (iv) If you are already registered with NSDL for e-voting, then you can use your existing user ID and password.
    - (v) If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
    - (vi) The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
    - (vii) Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
    - (viii) Select “EVEN” (E-Voting Event Number) of ADF Foods Ltd. Now you are ready for e-voting as Cast Vote page opens.
    - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
    - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
    - (xi) Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
    - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the **Scrutinizer through e-mail to [adf.scrutinizer@gmail.com](mailto:adf.scrutinizer@gmail.com), with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)**.

- B. In case a Member receives hard copy of the Notice of AGM (for Members whose e-mail addresses are not registered with the Company/Depositories):
- (i) Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast the vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) -Shareholders and e-voting user manual - Shareholders, available at the downloads section of [www.evoting.nSDL.com](http://www.evoting.nSDL.com). or call on toll free no 1800 222 990.
- VII. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- VIII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23<sup>rd</sup> September, 2015.
- IX. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of notice and holding shares as of the cut-off date i.e., 23<sup>rd</sup> September, 2015 may obtain the login ID and password by sending an e-mail to [evoting@nSDL.co.in](mailto:evoting@nSDL.co.in) by mentioning their Folio No. / DP ID and Client ID No. However, if you are already registered with NSDL for remote e-voting, then you can use your existing User ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on [www.evoting.nSDL.com](http://www.evoting.nSDL.com) or contact NSDL at the following Toll Free No: 1800 222 990.
- X. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XI. Mr. Sanjay Risbud, Practicing Company Secretary (Membership No. ACS 5117), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- XII. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make his Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- XIII. The Chairman shall, at the AGM, at the end of discussion on resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting / physical ballot facility.
- XIV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.adf-foods.com](http://www.adf-foods.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). The result of the voting, along with the Scrutinizer's Report shall also be displayed on the Notice Board of the company at its Registered Office and its Corporate Office.
- XVI. The members may contact Ms. Shalaka Ovalekar, Company Secretary at [co\\_secretary@adf-foods.com](mailto:co_secretary@adf-foods.com) or at contact number : (022) 61415555 on their grievances connected with voting by electronic means.

**Regd. Office :**

83/86 GIDC Industrial Estate,  
Nadiad 387001, Gujarat  
Tel.: 0268-2551381/2,  
Fax. : 0268-2565068;  
E-mail: [info@adf-foods.com](mailto:info@adf-foods.com);  
website: [www.adf-foods.com](http://www.adf-foods.com)  
CIN: L15400GJ1990PLC014265  
Mumbai, 12<sup>th</sup> August, 2015

By order of the Board  
**For ADF Foods Limited**

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

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(I) OF THE COMPANIES ACT, 2013**

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange read with Section 102(1) of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to Item No. 5 to 11 of the Notice.

### **Item No. 5: Appointment of Ms. Anjali Seth as a Non-Executive Director (Independent)**

The Board of Directors appointed Ms. Anjali Seth as an Additional Director (Independent) of the Company with effect from March 10, 2015, pursuant to Section 161 of the Companies Act, 2013 .

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Ms. Anjali Seth will hold office up to the date of the ensuing Annual General Meeting.

The Company has received from Ms. Anjali Seth, (i) consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under the provisions of sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. Further, the Company has received notice from a member signifying his intention to propose appointment of Ms. Anjali Seth along with the requisite deposit.

In the opinion of the Board, Ms. Anjali Seth fulfils the conditions specified under the Companies Act, 2013 and Rules framed thereunder for appointment as an Independent Director and she is independent of the management.

Mr. Anjali Seth (Age 56 years) holds a bachelor's degree in Law. She has been advising and consulting with banks, financial institutions and corporate, as a legal consultant. Ms. Seth comes with a rich and diverse experience of over twenty five years as a professional lawyer. Very well known in the Legal Fraternity, she also has an excellence network across the corporate world. During her career, Anjali has advised and consulted with top banks, financial institutions and corporates, on a range of matters including M&A, PE Investments, Industrial and employees relations, corporate governance, real estate negotiation, legal matters, statutory issues etc.

Ms. Seth worked with Internatioanl Finance Corporation and gained global experience in Project Financing, client negotiations, liaisoning with the Ministry of Finance, Reserve Bank of India and other statutory and Regulatory authorities, interface with exetrnal Solicitors and Counsel, and advising Head Quarters of World Bank group on local laws and regulations.

Ms. Seth was instrumental in getting the NBFC license for Swaadhar Finserve, a company doing Micro Finance business. She had an opportunity to work in UAE with the largest Reality Company, Emmar Properties. Ms. Seth was also instrumental in setting up in-house legal department of ANZ Grindlays Bank. In addition, Ms. Seth served with Standard Chartered Bank as their Legal Head in India.

Presently, Ms. Anjali Seth does not hold any shares in the Company.

Her directorships and committee memberships of other companies, as on date, are as follows :

<b>Name of Company</b>	<b>Committee Memberships</b>
Caprihans (India) Ltd	Stakeholder's Relationship Committee
Adlabs Entertainment Ltd	Audit Committee
Walkwater Properties Pvt. Ltd	Nil
JMC Projects (India) Limited	Nil
Kalpataru Power Transmission Limited	Nil
Kalpataru Limited	Nil

Ms. Anjali Seth is not related to any other Directors of the Company.

No Board meetings were held from the date of appointment of Ms. Anjali Seth i.e. 10<sup>th</sup> March, 2015 till 31<sup>st</sup> March, 2015.

Ms. Anjali Seth's appointment as an Independent Director of the Company would be upto 09<sup>th</sup> March, 2020. During the tenure she shall be paid remuneration by way of sitting fees for the meetings of the Board and its committees as may be decided by the Board from time to time.

The Board considers that the continued association of Ms. Anjali Seth would be of immense benefit to the Company and it is desirable to continue to avail the services of Ms. Anjali Seth as an Independent Director.

In compliance with provisions of section 149 read with Schedule IV of the Companies Act, 2013, the appointment of Ms. Anjali Seth as Independent Director is now being placed before the Members for their approval.

The copy of the draft letter of appointment and the terms and conditions of appointment of Ms. Anjali Seth, shall be open for inspection by the Members at the Registered Office of the Company during business hours between 11.00 a.m. and 1.00 p.m. on all working days, excluding Saturdays, Sundays and Public Holidays upto the date of Annual General Meeting. The copies thereof are also available for inspection at head office of the Company situated at Sadhana House, Unit 2B, Second Floor, Worli, Mumbai-400 018 and at the Meeting also.

The letter containing the terms and conditions of appointment of Independent Director is also available on the Company's website: [www.adf-foods.com](http://www.adf-foods.com).

Accordingly, the Board recommends the Ordinary Resolution as set out at Item No. 5 of the accompanying Notice for approval by the members.

Except Ms. Anjali Seth, being an appointee, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested financially or otherwise in the Resolution set out in Item No. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement, as amended, with the Stock Exchange(s).

#### **Item Nos. 6 to 8:**

Mr. Ashok H. Thakkar was appointed as the Chairman of the Company for one year with effect from 1<sup>st</sup> October 2014. Mr. Bimal R. Thakkar was appointed as the Managing Director of the Company for one year with effect from 1<sup>st</sup> October, 2014. Mr. Bhavesh R. Thakkar was appointed as Executive Director for one year with effect from 1<sup>st</sup> October, 2014.

The appointment and remuneration payable to Mr. Ashok H. Thakkar, Mr. Bimal R. Thakkar and Mr. Bhavesh R. Thakkar was approved by the shareholders in their Annual General Meeting held on 24<sup>th</sup> September, 2014 .

The terms of office of Mr. Ashok H. Thakkar, Mr. Bimal R. Thakkar and Mr. Bhavesh R. Thakkar are due to expire on 30<sup>th</sup> September, 2015.

As per the recommendation of the 'Nomination and Remuneration Committee' and at the meeting of Board of Directors of the Company held on 11<sup>th</sup> August, 2015 it was decided to renew employment agreements of the above Managerial Personnel, subject to the approval of the shareholders in the ensuing Annual General Meeting as under:

- (a) Mr. Ashok H. Thakkar, Chairman liable to retire by rotation for a period of one year from 1<sup>st</sup> October, 2015.
- (b) Mr. Bimal R. Thakkar , Managing Director liable to retire by rotation for a period of one year from 1<sup>st</sup> October, 2015.
- (c) Mr. Bhavesh R. Thakkar, Executive Director liable to retire by rotation for a period of one year from 1<sup>st</sup> October, 2015.

The appointment of Mr. Ashok H. Thakkar, Mr. Bimal R. Thakkar and Mr. Bhavesh R. Thakkar as aforesaid and the remuneration payable to them will require the approval of the members in General Meeting pursuant to Sections 196, 197 read with Schedule V of the Companies Act, 2013.

#### **I. Mr. Ashok H.Thakkar**

Mr. Ashok H Thakkar (age: 62 years) is a commerce graduate . He joined the family business in 1971 which was then a Partnership firm viz. M/s. American Dry Fruit Stores. In 1972, he was elevated as a Managing Partner and continued until 1992 when the said Partnership firm was transformed into a listed Public Limited Company viz. ADF Foods Ltd. He has played a very instrumental role in promoting the Company's products in the international markets, development of Brands and tapping new markets for the Company. His exemplary contribution and guidance has enabled the Company to grow in size over the years. Mr. Ashok H. Thakkar served as the Vice Chairman of the Company before being appointed as the Chairman of the Company in August, 2014.

Presently, Mr. Ashok H. Thakkar holds 18,36,354 shares of ₹ 10/- in the Company.

Mr. Ashok H. Thakkar has been inducted on the Board of Directors since 26<sup>th</sup> August, 1993.

Mr. Ashok H. Thakkar attended all 4 Board meetings during the Financial Year 2014-15.

During the Financial Year 2014-15 Mr. Ashok H. Thakkar has received a remuneration of ₹ 46,46,855 / - (including perquisites) from the Company.

His directorships and committee memberships of other companies, as on date, are as follows :

Company	Committee Memberships
Power Brands (Foods) Private Limited (under voluntary liquidation)	Nil
ADF Foods (India) Ltd.	Nil
Mishal International (India) Private Limited	Nil

Mr. Ashok H. Thakkar is related to Mr. Bimal R. Thakkar and Mr. Bhavesh R. Thakkar as their father's brother. Apart from this he is not related to any other directors , managers and/ or Key Managerial Personnel.

**The material terms of draft supplementary agreement between the Company and Mr. Ashok H. Thakkar as referred to in the resolution at item no. 6 of the notice are as under :**

- a) Monthly basic salary ₹ 3,50,000 (From 1<sup>st</sup> October, 2015 till 30<sup>th</sup> September, 2016);
- b) house rent allowance at 5% of basic salary ;
- 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 ₹ 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 ;
- i) 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 including travel, hotel and other related expenses for himself 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.
- j) Commission on Net Profit as calculated u/s. 198 of the Companies Act, 2013 at such rate as may be fixed by the Board of Directors for every financial year subject to over all ceiling as fixed u/s. 197 of the Companies Act, 2013.

In the financial year during the currency of the tenure of Mr. Ashok H. Thakkar, Chairman, if the Company has no profits or its profits are inadequate, the remuneration to be paid to Mr. Ashok H. Thakkar, Chairman 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.

Approval is also requested for the payment of remuneration by the Company to Mr. Ashok H. Thakkar by way of salary and perquisites subject to limits prescribed under Schedule V of the Companies Act, 2013.

## II. Mr. Bimal R. Thakkar

Mr. Bimal R. Thakkar (age: 49 years ) is a Commerce Graduate and has done a Course in International Business and Marketing from Trade Development Institute of Ireland. He is the Managing Director of ADF Foods Limited and has played an instrumental role in initial public offer, subsequent private placements, settings up of factory at Nasik, expansion of factory at Nadiad, introduction and promotion of the Company's products in domestic and international markets, development of Brands and new products , tapping new markets for the products, international acquisitions, setting up of subsidiary companies in U.K., Mauritius and U.S.A.

Presently, Mr. Bimal R. Thakkar holds 22,01,074 shares of ₹ 10/- under his individual folio in the Company.

Mr. Bimal R. Thakkar has been inducted on the Board of Directors since 30<sup>th</sup> May, 2003.

Mr. Bimal R. Thakkar attended all 4 Board meetings during the Financial Year 2014-15.

During the Financial Year 2014-15 Mr. Bimal R. Thakkar has received a remuneration of ₹ 46,46,783/- (including perquisites) from the Company.

He is on the Shareholder's Grievance/Stakeholder's Relationship Committee & CSR Committee of the Company.

His directorships and committee memberships of other companies, as on date, are as follows :

Company	Committee Memberships
Gujarat Sidhee Cement Limited	Audit Committee Share Allotment Committee
Saurashtra Cement Limited	Nil
ADF Foods (India) Limited	Nil
Power Brands (Foods) Private Limited (under voluntary liquidation)	Nil
ADF Foods U.K. Limited	Nil
ADF Holdings (USA) Limited	Nil
ADF Foods (USA) Limited	Nil
Willa Trading Private Limited	Nil
Metis Trading Private Limited	Nil

Mr. Bimal R. Thakkar is related to Mr. Ashok H. Thakkar as nephew (Brother' son) and to Mr. Bhavesh R. Thakkar as brother. Apart from them, Mr. Bimal R. Thakkar is not related to any other directors, managers and/ or Key Managerial Personnel.

**The material terms of draft supplementary agreement between the Company and Mr. Bimal R. Thakkar as referred to in the resolution at item no. 7 of the notice are as under :**

- Monthly basic salary ₹ 3,50,000 (From 1<sup>st</sup> October, 2015 till 30<sup>th</sup> September, 2016);
- house rent allowance at 5% of basic salary ;
- reimbursement of medical expenses incurred by him and his family subject to a ceiling of half month's basic salary in a year;
- 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;
- 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 ₹ 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 ;
- i) 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 including travel, hotel and other related expenses for himself 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.
- j) Commission on Net Profit as calculated u/s. 198 of the Companies Act, 2013 at such rate as may be fixed by the Board of Directors for every financial year subject to over all ceiling as fixed u/s. 197 of the Companies Act, 2013.

In the financial year during the currency of the tenure of Mr. Bimal R. Thakkar, Managing Director, if the Company has no profits or its profits are inadequate, the remuneration to be paid to Mr. Bimal R. Thakkar, Managing Director 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.

Approval is also requested for the payment of remuneration by the Company to Mr. Bimal R. Thakkar by way of salary and perquisites subject to limits prescribed under Schedule V of the Companies Act, 2013.

### III. Mr. Bhavesh R. Thakkar

Mr. Bhavesh R. Thakkar (age: 42 years) is a Commerce Graduate . He has over 2 decades of experience in this industry and has played an instrumental role in the management of the day to day financial and administrative affairs of the Company. He has also been a stalwart for setting up new factories as EOU divisions at Nashik & Nadiad.

Presently, Mr. Bhavesh R. Thakkar holds 11,76,450 shares of ₹ 10/- under his individual folio.

Mr. Bhavesh R. Thakkar has been inducted on the Board of Directors since 27<sup>th</sup> May, 2008.

Mr. Bhavesh R. Thakkar attended 2 Board meetings during the Financial Year 2014-15.

During the Financial Year 2014-15 Mr. Bhavesh R. Thakkar has received a remuneration of ₹ 46,46,975/- (including perquisites) from the Company.

His directorships and committee memberships of other companies, as on date, are as follows :

Company	Committee Memberships
ADF Foods (India) Limited	Nil
Power Brands (Foods) Pvt. Ltd (under Voluntary liquidation)	Nil

Mr. Bhavesh R. Thakkar is related to Mr. Ashok H. Thakkar as nephew (Brother' son) and to Mr. Bimal R. Thakkar as brother. Apart from them, Mr. Bhavesh R. Thakkar is not related to any other directors, managers and/ or Key Managerial Personnel.

**The material terms of draft supplementary agreement between the Company and Mr. Bhavesh R. Thakkar as referred to in the resolution at item no. 8 of the notice are as under :**

- a) Monthly basic salary ₹ 3,50,000 (From 1<sup>st</sup> October, 2015 till 30<sup>th</sup> September, 2016);
- b) house rent allowance at 5% of basic salary ;
- 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 ₹ 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 ;
- i) 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 including travel, hotel and other related expenses for himself 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.
- j) Commission on Net Profit as calculated u/s. 198 of the Companies Act, 2013 at such rate as may be fixed by the Board of Directors for every financial year subject to over all ceiling as fixed u/s. 197 of the Companies Act, 2013.

In the financial year during the currency of the tenure of Mr. Bhavesh R. Thakkar, Executive Director , if the Company has no profits or its profits are inadequate unless, otherwise approved by Central Government, the remuneration to be paid to Mr. Bhavesh R. Thakkar, Executive Director 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.

Approval is also requested for the payment of remuneration by the Company to Mr. Bhavesh R. Thakkar by way of salary and perquisites subject to limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.

Mr. Ashok H. Thakkar, Mr. Bimal R. Thakkar and Mr. Bhavesh R. Thakkar satisfy all the conditions set out in Part I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act being eligible for their re-appointment. They are not disqualified from being appointed as Directors in terms of Section 164 of the Act.

The above may be treated as written memorandum of interest setting out the terms of re-appointment of Mr. Ashok H. Thakkar, Mr. Bimal R. Thakkar and Mr. Bhavesh R. Thakkar under Section 190 of the Act.

Mr. Ashok H. Thakkar, Mr. Bimal R. Thakkar and Mr. Bhavesh R. Thakkar are interested in the resolutions set out respectively at Item nos. 6, 7 and 8 of the Notice, which pertains to their respective re-appointments and remuneration payable to each of them and also interested in the resolution at item no 10 pertaining to appointment of Mr. Mishal A Thakkar as Senior Manager (Operations).

The relatives of Mr. Ashok H. Thakkar, Mr. Bimal R. Thakkar and Mr. Bhavesh 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.

Copies of the aforesaid draft supplementary agreements will be available for inspection by the members at the Registered Office of the Company during business hours between 11.00 a.m. and 1.00 p.m. on all working days, excluding Saturdays, Sundays and Public Holidays upto the date of Annual General Meeting. The copies thereof are also available for inspection at head office of the Company situated at Sadhana House, Unit 2B, Second Floor, Worli, Mumbai-400 018 and at the Meeting also.

The Board recommends the resolutions as set out at Item Nos. 6, 7 and 8 of the notice for your approval.

## Item no 9:

Pursuant to provisions of Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and Its Power) Rules, 2014 deal with regard to transaction with related party as defined u/s 2(76) of the Act, with the prior approval of the shareholders accorded by way of a Special Resolution.

Further third proviso of Section 188(1) provides that nothing in this sub-section shall apply to the Company in its ordinary course of business other than the transactions which are not on an arms' length basis.

Accordingly as required under Companies Act, 2013 and subject to member's approval, the Audit Committee and Board of Directors of your company have approved the following related party transaction along with the limits that the Company has entered into with the Related Parties.

The Particulars of the transactions 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 or terms, monetary value	Any other information relevant or important for the members to make a decision on the proposed transaction
Mahalaxmi R. Thakkar	Relative of Directors	Lease of bunglow at Nadiad transmitted in the name of Mrs. Mahalaxmi Ramesh Thakkar (Lessor ) after death of Late. Shri Ramesh H. Thakkar	Rent – ₹ 50,000/- per annum and Interest Free Refundable Security Deposit of ₹ 15,00,000/-	Duration of Contract is for 99 years w.e.f. from 01 <sup>st</sup> April, 2007

Further pursuant to second proviso of Section 188(1) of the Act, no member shall vote on such special resolution, to approve any contract or arrangement which may be entered by the Company, if such member is a related party.

The Audit Committee and Board of Directors have approved this item in the Board meeting held on 12<sup>th</sup> August, 2015 and recommends the resolution as set out in the accompanying notice for the approval of members of the Company as Special Resolution.

The copy of respective Agreement setting broad terms and conditions and other relevant documents, register etc. are open for inspection by the members at the Registered Office of the Company during business hours between 11.00 a.m. and 1.00 p.m. on all working days, excluding Saturdays, Sundays and Public Holidays upto the date of Annual General Meeting. The copies thereof are also available for inspection at head office of the Company situated at Sadhana House, Unit 2B, Second Floor, Worli, Mumbai-400 018 and at the Meeting also.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, except Mr. Ashok H. Thakkar, Mr. Bimal R. Thakkar and Mr. Bhavesh R. Thakkar in the Special Resolution set out at Item No. 09 of the Notice.

**Item No. 10 :**

Mr. Mishal A. Thakkar was appointed as Senior Manager (Operations) in the Company for a period of one year from 1<sup>st</sup> October, 2014 . The said appointment was approved by the members in the Annual General Meeting held on 24<sup>th</sup> September, 2014 .

Mr. Mishal A Thakkar (Age : 30 years) holds a Business Management Degree from the University of Central Lancashire, UK and joined the company as a Trainee Officer in February 2007. Currently he is holding the position of Senior Manager (Operations) . His job profile includes the processing and managing of orders & their dispatch, sourcing and importing material and dealing with international Vendors.

At the meeting of Board Of Directors of the Company held on 12<sup>th</sup> August, 2015 it was decided to appoint Mr. Mishal Thakkar as Senior Manager (Operations) for a period of 1 (One) year with effect from 1<sup>st</sup> October, 2015 .

As Mr. Mishal A. Thakkar is the son of Mr. Ashok H. Thakkar, Chairman of the Company, his appointment is subject to approval of the members by way of a special resolution under Section 188 (1) (f) of the Companies Act, 2013.

The material terms of draft agreement between the Company and Mr. Mishal A. Thakkar as referred to in the resolution at item no. 10 of the notice are as under :

1. Monthly Basic Salary: ₹ 61,000 (from 1<sup>st</sup> October, 2015 till 30<sup>th</sup> September, 2016);
2. House Rent Allowance: 40 % of Basic;
3. Leave Travel Allowance for himself and his family in accordance with the rules of the Company subject to a ceiling of ½ months basic salary in a year;
4. Reimbursement of Medical expenses incurred by him and his family subject to a ceiling of ½ months basic salary in a year;
5. 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;
6. Ex-gratia to be given at the time of Diwali after completion of the financial year subject to a ceiling of one month's basic salary;
7. Contribution to the Company's Provident Fund in accordance with the rules of the Funds;
8. Gratuity payable in accordance with the Company's scheme;
9. Provision of a car with driver for use on company's business;
10. reimbursement of expenses actually and properly incurred by him for the business of the Company and will not be considered as perquisite.

Copies of the aforesaid draft agreement will be available for inspection by the members at the Registered Office of the Company during business hours between 11.00 a.m. and 1.00 p.m. on all working days, excluding Saturdays, Sundays and Public Holidays upto the date of Annual General Meeting. The copies thereof are also available for inspection at head office of the Company situated at Sadhana House, Unit 2B, Second Floor, Worli, Mumbai-400 018 and at the Meeting also.

Except Mr. Ashok H. Thakkar, Mr. Bimal R. Thakkar and Mr. Bhavesh R. Thakkar, being related to Mr. Mishal A. Thakkar, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the Resolution as set out in Item No. 10.

The Board recommends the resolution as set out at Item No. 10 of the notice for your approval.

**Item No. 11 :**

The Articles of Association of the Company as currently in force was originally adopted when the Company was incorporated under the Companies Act, 1956 and further amendments were adopted, from time to time, over the past several years. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association may no longer be in conformity with the Companies Act, 2013.

Considering that substantive sections of the Companies Act, 2013 which deal with the general working of the companies stand notified, it is proposed to amend the existing Articles of Association to align it with the provisions of the Companies Act, 2013 including the Rules framed thereunder and adoption of specific Sections from Table "F" to the Companies Act, 2013 which sets out the model articles of association for a company limited by shares.

Member's attention is invited to certain salient provisions in the new draft of Articles of Association of the Company viz.:

1. Provisions relating to the appointment of independent directors have been added.
2. Provisions relating to the appointment of Key Managerial Personnel have been added.
3. Provisions relating to use of the electronic medium to communicate with the shareholders and directors have been added.
4. Various existing articles have been aligned with the Act.
5. The statutory provisions of the Act which permit a company to do some acts "if so authorised by its articles" or provisions which require a company to do acts in a prescribed manner "unless the articles otherwise provide" have been specifically included.

The proposed new draft of Articles of Association is available for inspection by the members at the Registered Office of the Company during business hours on all working days, except Saturdays, Sundays and Public holidays, during business hours between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting. The copies thereof is also available for inspection at head office of the Company situated at Sadhana House, Unit 2B, Second Floor, Worli, Mumbai-400 018 and at the Meeting also.

Accordingly, the Board of Directors recommend the Special Resolution as set out at Item No 11 of the Notice for approval of the shareholders.

None of the directors/Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested or financially or otherwise, in the resolution set out at Item No.11 of the Notice.

**Item No. 12 :**

As per provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, register of members together with Index of members, register of debenture holders together with Index of debenture holders, other registers, the copies of annual returns, the copies of certificates and documents required to be annexed thereto, which are normally required to be kept at the registered office of the company can be kept at any other place in India, in which more than one-tenth of total Members reside, other than the registered office of the company, provided such other place has been approved by the members by way of a special resolution.

It is proposed to keep, maintain and preserve register of members together with Index of members, register of debenture holders together with Index of debenture holders, the copies of annual returns, the copies of certificates and documents required to be annexed thereto, at the head office of the Company currently situated at Sadhana House, Unit 2B, Second Floor, 570, P.B.Road, Worli, Mumbai-400 018 instead of Registered Office of the Company. Accordingly, the Board of Directors recommend the Special Resolution as set out at Item No 12 of the Notice for approval of the shareholders.

None of the directors/Key Managerial Personnel of the Company /their relatives are , in any way, concerned or interested financially or otherwise, in the resolution set out at Item No.12 of the Notice.

By order of the Board.  
For **ADF Foods Limited**

**Shalaka Ovalekar**  
Company Secretary

Mumbai, 12<sup>th</sup> August, 2015

**Regd. Office :**

83/86 GIDC Industrial Estate,

Nadiad 387001, Gujarat

Tel.: 0268-2551381/2

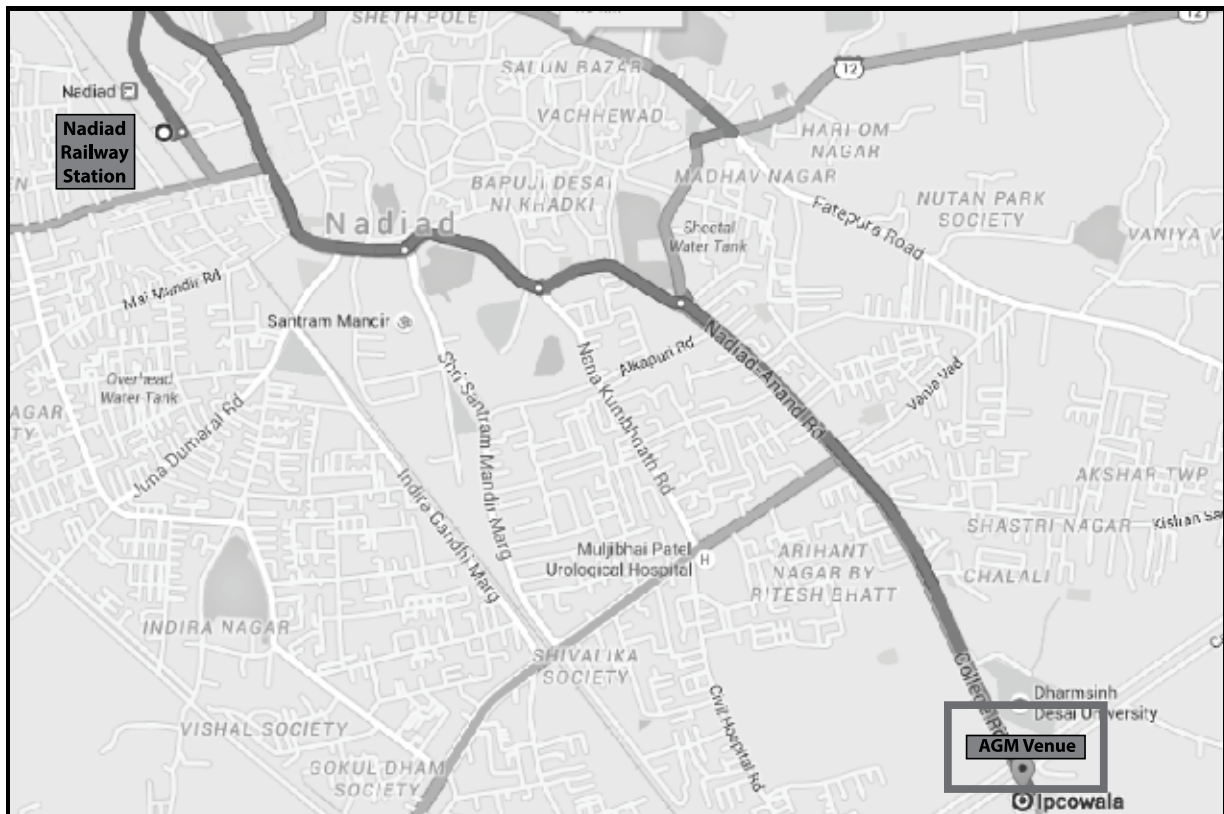
Fax. : 0268-2565068;

E-mail: [info@adf-foods.com](mailto:info@adf-foods.com); website: [www.adf-foods.com](http://www.adf-foods.com)

CIN: L15400GJ1990PLC014265

**ADF FOODS LIMITED**

Route map to the venue of the AGM: Ipcowala Banquet Hall, Near Amba Ashram Mandir, College Road, Nadiad 387001



**The Statement of disclosures pursuant to Secretarial Standard- 2 on General Meetings and Clause 49 of Listing Agreement, as amended, is as under:**

Particulars	Ms. Anjali Seth	Mr. Ashok H. Thakkar	Mr. Bimal R Thakkar	Mr. Bhavesh R. Thakkar
<b>Director Identification Number</b>	05234352	00087465	00087404	00939805
<b>Age</b>	56 years	62 years	49 years	42 years
<b>Date of Birth</b>	25 <sup>th</sup> October 1958	12 <sup>th</sup> May, 1953	17 <sup>th</sup> September, 1965	18 <sup>th</sup> September, 1972
<b>Date of Appointment on Board</b>	10 <sup>th</sup> March, 2015	26 <sup>th</sup> August, 1993	30 <sup>th</sup> May, 2003	27 <sup>th</sup> May, 2008
<b>Qualifications</b>	Bachelor of Law	Bachelor of Commerce	Bachelor of Commerce	Bachelor of Commerce
<b>Experience/Expertise</b>	<p>Ms. Anjali Seth has been advising and consulting with banks, financial institutions and corporates as a legal consultant. She has a rich and diverse experience of over 25 years including as a professional lawyer. Ms. Anjali has advised and consulted with top banks, financial institutions, and corporates, on a range of matters including M&amp;A, PE Investments, industrial and employees relations, corporate governance, real estate negotiation, legal matters, statutory issues, litigations etc. Ms. Anjali had been associated with International Finance Corporation, Swaadhar Finserve and ANZ Grindlays Bank. She had the opportunity to work in UAE with real-estate company, Emmar Properties. Ms. Seth served with Standard Chartered Bank as their Legal Head in India.</p>	<p>Mr. Ashok H Thakkar joined the family business in 1971 which was then a Partnership firm viz. M/s. American Dry Fruit Stores. In 1972, he was elevated as a Managing Partner and continued until 1992 when the said Partnership firm transformed into a listed Public Limited Company viz. ADF Foods Ltd. He has played a very instrumental role in promoting the Company's products in the international markets, development of Brands and tapping new markets for the Company. His exemplary contribution and guidance has enabled the Company to grow in size over the years. Mr. Ashok H. Thakkar served as the Vice Chairman of the Company before being appointed as the Chairman of the Company in August, 2014.</p>	<p>Mr. Bimal R. Thakkar has done a Course in International Business and Marketing from Trade Development Institute of Ireland. He is the Managing Director of ADF Foods Limited and has played an instrumental role in initial public offer, subsequent private placements, settings up of factory at Nasik, expansion of factory at Nadiad, introduction and promotion of the Company's products in domestic and international markets, development of Brands and new products, tapping new markets for the products, international acquisitions, setting up of subsidiary companies in U.K., Mauritius and U.S.A.</p>	<p>Mr. Bhavesh R. Thakkar is the Executive Director of ADF Foods Ltd. He has over 2 decades of experience in this industry and has played an instrumental role in the management of the day to day financial and administrative affairs of the Company.</p> <p>He has also been a stalwart for setting up new factories as EOU divisions at Nashik &amp; Nadiad.</p>
<b>Terms and Conditions of Appointment or re-appointed along with remuneration</b>	<p>Ms. Anjali Seth has been appointed as Independent Director for a period of 5 years with effect from March 10, 2015. She will be entitled to Sitting Fees for attending the meetings of Board and Committees thereof.</p>	<p>a) Monthly basic salary ₹ 3,50,000 (From 1<sup>st</sup> October, 2015 till 30<sup>th</sup> September, 2016);                      b) house rent allowance at 5% of basic salary ;                      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.</p>	<p>a) Monthly basic salary ₹ 3,50,000 (From 1<sup>st</sup> October, 2015 till 30<sup>th</sup> September, 2016);                      b) house rent allowance at 5% of basic salary ;                      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.</p>	<p>a) Monthly basic salary ₹ 3,50,000 (From 1<sup>st</sup> October, 2015 till 30<sup>th</sup> September, 2016);                      b) house rent allowance at 5% of basic salary ;                      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;</p>

		<p>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 ;</p> <p>f) Personal Accident Insurance and mediclaim insurance for self and family not exceeding ₹ 30,000/-;</p> <p>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 ;</p> <p>h) Gratuity payable in accordance with the Company's scheme ;</p> <p>i) 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 ;</p> <p>1) Actual expenses incurred for the Company's business including travel, hotel and other related expenses for himself incurred in India and abroad;</p> <p>2) provision of two cars with drivers for use on Company's business ;</p> <p>3) telephone at residence for official purpose ;</p> <p>4) Expenses incurred in respect of books and periodicals at actual against submission of supporting/s;</p> <p>5) Subscription or reimbursement of club fees on actual basis.</p> <p>j) Commission on Net Profit as calculated u/s. 198 of the Companies Act, 2013 at such rate as may be fixed by the Board of Directors for every financial year subject to over all ceiling as fixed u/s. 197 of the Companies Act, 2013.</p>	<p>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 ;</p> <p>f) Personal Accident Insurance and mediclaim insurance for self and family not exceeding ₹ 30,000/-;</p> <p>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 ;</p> <p>h) Gratuity payable in accordance with the Company's scheme ;</p> <p>i) 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 ;</p> <p>1) Actual expenses incurred for the Company's business including travel, hotel and other related expenses for himself incurred in India and abroad;</p> <p>2) provision of two cars with drivers for use on Company's business;</p> <p>3) telephone at residence for official purpose ;</p> <p>4) Expenses incurred in respect of books and periodicals at actual against submission of supporting/s;</p> <p>5) Subscription or reimbursement of club fees on actual basis.</p> <p>j) Commission on Net Profit as calculated u/s. 198 of the Companies Act, 2013 at such rate as may be fixed by the Board of Directors for every financial year subject to over all ceiling as fixed u/s. 197 of the Companies Act, 2013.</p>	<p>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</p> <p>f) Personal Accident Insurance and mediclaim insurance for self and family not exceeding ₹ 30,000/-;</p> <p>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;</p> <p>h) Gratuity payable in accordance with the Company's scheme ;</p> <p>i) 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 ;</p> <p>1) Actual expenses incurred for the Company's business including travel, hotel and other related expenses for himself incurred in India and abroad;</p> <p>2) provision of two cars with drivers for use on Company's business ;</p> <p>3) telephone at residence for official purpose ;</p> <p>4) Expenses incurred in respect of books and periodicals at actual against submission of supporting/s;</p> <p>5) Subscription or reimbursement of club fees on actual basis.</p> <p>j) Commission on Net Profit as calculated u/s. 198 of the Companies Act, 2013 at such rate as may be fixed by the Board of Directors for every financial year subject to over all ceiling as fixed u/s. 197 of the Companies Act, 2013.</p>
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		In the financial year during the currency of the tenure of Mr. Ashok H. Thakkar, Chairman, if the Company has no profits or its profits are inadequate, the remuneration to be paid to Mr. Ashok H. Thakkar, Chairman 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.	In the financial year during the currency of the tenure of Mr. Bimal R. Thakkar, Managing Director, if the Company has no profits or its profits are inadequate, the remuneration to be paid to Mr. Bimal R. Thakkar, Managing Director 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.	In the financial year during the currency of the tenure of Mr. Bhavesh R. Thakkar, Executive Director, if the Company has no profits or its profits are inadequate unless, otherwise approved by Central Government, the remuneration to be paid to Mr. Bhavesh R. Thakkar, Executive Director 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
<b>The last drawn remuneration</b>	<i>Not Applicable</i>	₹ 46,46,855/- (For the FY 2014-15)	₹ 46,46,783/- (For the FY 2014-15)	₹ 46,46,975/- (For the FY 2014-15)
<b>Shareholding in the Company</b>	Nil	18,36,354 equity shares	22,01,074 equity shares	11,76,450 equity shares
<b>Relationship with Other Directors, Manager and other Key Managerial Personnel of the Company</b>	Ms. Anjali Seth is not related with any other Director, Manager and Key Managerial Personnel of the Company.	Mr. Ashok H. Thakkar is related to Mr. Bimal R. Thakkar and Mr. Bhavesh R. Thakkar as their father's brother. Apart from them, Mr. Ashok H. Thakkar is not related to any other directors, managers and/ or Key Managerial Personnel.	Mr. Bimal R. Thakkar is related to Mr. Ashok H. Thakkar as nephew (Brother' son) and to Mr. Bhavesh R. Thakkar as brother. Apart from them, Mr. Bimal R. Thakkar is not related to any other directors, managers and/ or Key Managerial Personnel.	Mr. Bhavesh R. Thakkar is related to Mr. Ashok H. Thakkar as nephew (Brother' son) and to Mr. Bimal R. Thakkar as brother. Apart from them, Mr. Bhavesh R. Thakkar is not related to any other directors, managers and/or Key Managerial Personnel.
<b>The Number of Meetings of the Board attended during the year</b>	*Nil	4	4	2
<b>Other Directorships</b>	<b>Directorships:</b> a. Caprihans (India) Ltd b. Adlabs Entertainment Ltd c. Walkwater Properties Pvt. Ltd d. JMC Projects (India) Limited e. Kalpataru Power Transmission Limited f. Kalpataru Limited	<b>Directorships:</b> a. Power Brands (Foods) Private Limited (under voluntary liquidation) b. ADF Foods (India) Ltd. c. Mishal International (India) Private Limited	<b>Directorships:</b> a. Gujarat Sidhee Cement Limited b. Saurashtra Cement Limited c. ADF Foods (India) Limited d. Power Brands (Foods) Private Limited (under voluntary liquidation) e. ADF Foods U.K. Limited f. ADF Holdings (USA) Limited g. ADF Foods (USA) Limited h. Willa Trading Private Limited i. Metis Trading Private Limited	<b>Directorships:</b> a. ADF Foods (India) Limited b. Power Brands (Foods) Pvt. Ltd (under Voluntary liquidation)
<b>Memberships/ Chairmanship of Committees</b>	<b>Member:</b> 1. <b>Audit Committee</b> Adlabs Entertainment Ltd 2. <b>Stakeholder's Relationship Committee</b> Adlabs Entertainment Ltd	NIL	<b>Member:</b> 1. <b>Audit Committee</b> Gujarat Sidhee Cement Limited 2. <b>Share Allotment Committee</b> Gujarat Sidhee Cement Limited	NIL

\* No Board meetings were held from the date of appointment of Ms. Anjali Seth i.e. 10<sup>th</sup> March, 2015 till 31<sup>st</sup> March, 2015.

## DIRECTORS' REPORT

**Dear Shareholders,**

Your Directors have pleasure in presenting the Twenty Fifth Annual Report together with the Audited Financial Statements for the year ended 31<sup>st</sup> March 2015.

### FINANCIAL RESULTS

The performance of the Company for the financial year ended 31<sup>st</sup> March 2015 is summarized below:

(₹ in Lakhs)

Particulars	2014-15	2013-14
Net sales/Income from operation	14,945.17	14,181.40
Other Income	689.48	399.23
<b>Total Income</b>	<b>15,634.65</b>	<b>14,580.63</b>
<b>Less: Total expenditure</b>		
Manufacturing & Other Expenses	12,905.73	11,934.74
Depreciation and amortization	732.37	732.72
Financial Expenses	95.18	113.65
<b>Profit before exceptional and extraordinary items and tax</b>	<b>1,901.37</b>	<b>1,799.52</b>
<b>Exceptional Items</b>	<b>174.63</b>	<b>-</b>
<b>Profit before tax</b>	<b>2,076.00</b>	<b>1,799.52</b>
Provision for taxation	538.67	468.32
Deferred tax Assets/ (Liabilities)	77.07	86.32
<b>Net Profit (+) / Loss (-)</b>	<b>1,460.26</b>	<b>1,244.88</b>
Prior Period adjustments (Net off)	-	-
<b>Net Profit(+ ) / Loss(-)</b>	<b>1,460.26</b>	<b>1,244.88</b>
Balance brought forward	7,364.76	6,595.96
<b>Adjustment in carrying amount of depreciation as per Part C of Schedule II of the Companies Act, 2013</b>	<b>(91.73)</b>	<b>-</b>
<b>Amount available for appropriation</b>	<b>8,733.29</b>	<b>7,840.84</b>
<b>Dividend declared/ paid</b>	<b>262.82</b>	<b>330.00</b>
Tax on dividend	67.18	56.08
Transfer to General Reserve	125.00	90.00
Balance Carried to the Balance Sheet	8,278.29	7,364.76
<b>EPS (Basic)</b>	<b>6.64</b>	<b>5.66</b>
<b>EPS (Diluted)</b>	<b>6.64</b>	<b>5.66</b>

Previous year's figures have been re-grouped wherever necessary

### FINANCIAL PERFORMANCE

#### Standalone results

During the year under review, your Company has recorded revenue from operations (net) of ₹ 149.45 Crore as against ₹ 141.81 Crore in the previous year. The Net profit (after tax and extra ordinary items) for the financial year ended 31<sup>st</sup> March 2015 is ₹ 14.60 crore as against ₹ 12.45 crore in the previous year recording an increase of 17%.

## Consolidated Results

Your Company has recorded revenue from operations (net) of ₹ 203.80 Crore as against ₹ 207.64 Crore in the previous year. Despite of the revenue remaining almost at the same level as that of the previous year, the net profit (after tax and extra ordinary items) for the financial year grew by 56% to ₹ 8.84 Crore, as against ₹ 5.65 Crore during the previous year.

## DIVIDEND

Your Directors are pleased to recommend a Dividend of ₹ 1.5 per share (i.e. @ 15 %) for the year ended 31<sup>st</sup> March 2015. The dividend payout, if approved, will result in outflow of ₹ 330.00 Lakhs inclusive of ₹ 67.18 Lakhs on account of Dividend Distribution Tax.

## TRANSFERRED TO RESERVES

During the year, ₹ 125 Lakhs were transferred to General Reserves.

## BUSINESS DEVELOPMENT

### The Domestic market:

During the year the company took a major step of rebranding of the Company's brand ADF SOUL with a better look of the logo and more appealing packaging designs. The new products launched under this brand were the South Indian Style Pickles and Cooking Pastes – packed in user-friendly laminated tubes. These products have been well received by the consumers & are fast gaining shelf space amongst the top retail chains in India. The new product launch was supported by advertising in retail stores, outdoor campaigns, in-store branding, promotions, and presence in social media. The Company is gearing up to launch a range of exciting new products and expand its footprints in new markets in the forthcoming year.

During the year the Company's new manufacturing plant at Nadiad has become fully functional and the same would increase manufacturing capacity of the company's core products such as pickles and pastes.

### The US Operations :

The Company continues to develop the presence of its core brands viz. ADF SOUL, Nate's and PJ's and solidify its distribution channels across the US markets. During the year, under review the Company developed and launched a range of new products including a very innovative product called Nate's Mediterranean Bites that has received an overwhelming response from the consumers. The company has been successful in doing new listing in major supermarket chains and natural grocery stores across the USA. Also several exciting and innovative new products are in pipeline under the Company's brand umbrella.

### International business :

Apart from India and USA the Company's products are being sold in over 45 countries across the Globe. During the year under review, the company's leading International brands Ashoka , Aeroplane and Camel underwent packaging revamp.

The new product introductions under the Ashoka brand were Mini Samosas, Snacks, Kathi Rolls in the frozen range and Chutneys made with Olive Oil in the dry range. There were new introductions under Camel and Aeroplane brands like the Cooking Pastes, and South Indian Style Pickles, North Indian Pickles and Sauces.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial year of the Company to which the Financial Statements relate and the date of the report.

## DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the financial year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

- b. that such accounting policies as mentioned in Note 27(2) of the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### **SHARE CAPITAL**

The paid up Equity Share Capital as on March 31, 2015 was ₹ 22 crore. During the year under review, the Company has neither issued shares with differential voting rights nor granted stock options nor sweat equity.

### **LISTING OF SHARES**

The Company's shares are actively traded on BSE Limited (BSEL) and The National Stock Exchange of India Limited (NSEIL).

### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs Keyul M. Dedhia & Associates, Company Secretary in Practice (C.P.No. 8618), to undertake the Secretarial Audit of the Company for the Financial Year 2014-15. The Secretarial Audit Report is annexed herewith as "Annexure II". There are no qualifications contained, in the said Report. However the Secretarial Auditors have stated the following observation in their Report :

*The Company has an unspent amount during the year in the amount to be spend towards Corporate Social Responsibility.*

The explanation for the above observation is mentioned below under the Head CORPORATE SOCIAL RESPONSIBILITY INITIATIVES.

### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, of its committees and the directors individually.

The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

### **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as Annexure IV.

### **CORPORATE GOVERNANCE**

In compliance with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, a separate report on Corporate Governance along with Auditors' certificate on its compliance has been provided elsewhere in this Annual Report.

Report on Management Discussion and Analysis is provided in separate section and forms part of this Annual Report.

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

## **DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Bimal R. Thakkar, Director, retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

The Board of Directors has appointed Ms. Anjali Seth as an Additional Director of the Company in the category of Woman / Independent Director with effect from 10<sup>th</sup> March, 2015.

The brief particulars of Ms. Anjali Seth, for which approval of members for her appointment is sought, have been provided in the Notice of the Twenty Fifth Annual General Meeting pursuant to the Clause 49 of the Listing Agreement relating to the Corporate Governance.

During the year, Mr. Ashok H. Thakkar, Chairman of the Company was appointed for a period of one year from 1<sup>st</sup> October, 2014, Mr. Bimal R. Thakkar as Managing Director for a period of one year from 1<sup>st</sup> October, 2014 and Mr. Bhavesh R. Thakkar as Executive Director for a period of one year from 1<sup>st</sup> October, 2014.

## **AUDITORS AND THEIR REPORT**

In the previous Annual General Meeting M/s. D.P. Ghevaria & Co., Chartered Accountants, Mumbai were appointed as joint Statutory Auditors of the Company for the F.Y. 2014-15. Prior to the said appointment M/s. D.P. Ghevaria & Co. had served the Company as Statutory Auditors for more than 5 consecutive years. Therefore, pursuant to Section 139 of the Companies Act, 2013 and the Rules framed thereunder, M/s. D. P. Ghevaria & Co., not being entitled for re-appointment, ceases to be the Statutory Auditors of the Company.

For the financial year 2015-16, it is proposed to ratify appointment of M/s. Kalyaniwalla & Mistry, Chartered Accountants, Mumbai as Statutory Auditors subject to approval of members in the ensuing Annual General Meeting.

The Company has received letters from the Auditors to the effect that their appointment/re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for appointment/re-appointment.

There are no qualifications contained, in the Auditors Report and therefore there are no further explanations to be provided for in this report.

## **INTERNAL AUDIT**

M/s. Suresh Gandhi & Associates, Surat have been associated with your Company as internal auditor for Gujarat location.

During the year, on account of resignation of M/s. Pipalia Singhal & Associates, Chartered Accountants, Mumbai, M/s. S M S R & Co., Chartered Accountants, Mumbai have been appointed as the internal Auditors for Mumbai and Nasik locations of the Company.

The Audit Committee of the Board of Directors, Statutory Auditors and the Management are periodically apprised of the Internal Audit findings and corrective actions taken.

## **SEXUAL HARASSMENT POLICY**

During the year the Company has formed the policy on Sexual Harassment of Women at Workplace pursuant to the provisions of Sexual Harassment of Woman at Workplace (Prevention, Prohibition & Redressal) Act 2013. The company did not receive any such complaints during the year.

Sexual Harassment Policy of the Company is displayed on the Company's website [www.adf-foods.com](http://www.adf-foods.com) and is available under the weblink: <http://www.adf-foods.com/pdfs/Sexualharasspolicy.pdf>.

## **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The company has formulated Corporate Social Responsibility (CSR) policy and set up CSR Committee comprising of three members viz. Mr. Viren Merchant, Independent Director, Mr. Nipun Shah, Independent Director and Mr. Bimal R. Thakkar, Managing Director.

During the FY 2014-15 the Company was required to spend an amount of ₹ 31.83 Lakhs on the CSR activities pursuant to Section 135 of the Companies Act, 2013. The Company was keen on undertaking the CSR activities in Nasik and Nadiad where the Company's plants have been situated. The Company identified certain concrete projects and was in the talks with the concerned Government Authorities to start the CSR activity. However pending certain information and clarifications from the authorities the activities could not be undertaken in the FY 2014-15. However, since April 2015, the Company has started construction work of household toilets in Nadiad District that forms part of the 'Swatchh Bharat Mission' initiated by the Government of India. Simultaneously the company has been also planning to undertake CSR activities in the areas of primary education, women empowerment and conservation of the natural resources.

The CSR Policy of the Company and the relevant report as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been disclosed in Annexure-III to this Report.

### **TECHNOLOGY AND QUALITY**

Your Company is committed to deliver highest quality of products by continuous improvement in terms of product quality and achieving customer satisfaction and delight. Your Company has already obtained various quality certifications such as the Internationally recognized BRC (British Retail Consortium) Global Standard – Foods, ISO 22000/ HACCP & ISO 9001: 2000 certifications for its plants located at Nadiad, Gujarat and Nashik, Maharashtra.

### **ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE**

Information required under Section 134 (3) (m) of the Companies Act, 2013 read with the Rule 8 of The Companies (Accounts) Rules, 2014 is appended hereto at Annexure VI.

### **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provisions of Section 124 of the Companies Act, 2013 (corresponding to Section 205 A and 205C of the Companies Act, 1956), dividends pertaining to the financial year 2006-07 (Interim) & (Final) amounting to ₹ 6,76,523/- and ₹ 6,00,396/- respectively and pertaining to the financial year 2007-08 (Interim) amounting to ₹ 5,71,806/- which remained unpaid or unclaimed for a period of 7 years were transferred by the Company to the Investor Education and Protection Fund.

### **PARTICULARS OF EMPLOYEES**

There are no employees drawing remuneration exceeding the monetary ceiling of ₹ 60 lakhs or more per annum or ₹ 5 lakhs or more per month, if employed for a part of the year prescribed under provisions of Section 197 of the Companies Act, 2013 and the Rules made thereunder.

### **SUBSIDIARY COMPANIES**

Your Company has three subsidiaries namely ADF Foods UK Ltd, Power Brands (Foods) Pvt. Ltd. and ADF Foods (India) Ltd. and two step down subsidiaries viz. ADF Holdings (USA) Ltd. and ADF Foods (USA) Ltd.

M/s Power Brands (Foods) Pvt. Ltd, 99.99% Subsidiary of the Company, is undergoing Voluntary Liquidation vide Special resolution passed by the Members on 5<sup>th</sup> November, 2012.

Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary companies may write to the Company Secretary.

In terms of proviso to sub section (3) of Section 129 of the Act, the salient features of the financial statement of the subsidiaries are set out in the prescribed form AOC-I and the same is attached to the financial statements.

### **CASH FLOW STATEMENT**

The Cash Flow Statement pursuant to Clause 32 of the Listing agreement is annexed to this Report.

### **CONSOLIDATED ACCOUNTS**

In compliance with Clause 32 of the Listing Agreement with the Stock Exchanges and in accordance with the requirements of Accounting Standards AS-21 prescribed by the Institute of Chartered Accountants of India, the Consolidated Accounts of the Company and its subsidiaries are annexed to this Report.

## **CORPORATE GOVERNANCE REPORT, MANAGEMENT DISCUSSION & ANALYSIS AND OTHER INFORMATION REQUIRED UNDER THE COMPANIES ACT, 2013 AND LISTING AGREEMENT**

As per Clause 49 of the listing agreement entered into with the stock exchanges, Corporate Governance Report with Auditors' certificate thereon and Management Discussion and Analysis report are attached and form part of this report.

Various information required to be disclosed under the Act and the Listing Agreement is set out in the Annexure-I and forms part of this report.

### **DEPOSIT**

Your Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 during the financial year 2014-15.

### **HUMAN RESOURCE AND EMPLOYEE RELATIONS**

The Company has always perceived its Manpower as its biggest strength. The emphasis was on grooming in-house talent enabling them to take higher responsibilities. The Employee relations continue to be cordial at all the divisions of the Company. Your Directors place on record their deep appreciation for exemplary contribution of the employees at all levels. Their dedicated efforts and enthusiasm have been integral to your Company's steady performance.

### **ACKNOWLEDGEMENTS**

Your Directors wish to express their sincere appreciation of the excellent support and co-operation extended by the Company's shareholders, customers, bankers, suppliers and all other stakeholders.

**For and on Behalf of the Board of Directors**

**Ashok H. Thakkar**  
Chairman  
DIN: 00087465

Mumbai, 12<sup>th</sup> August, 2015

### **Regd. Office :**

83/86 GIDC Industrial Estate,  
Nadiad 387001, Gujarat

Tel.: 0268-2551381/2

Fax. : 0268-2565068;

E-mail: [info@adf-foods.com](mailto:info@adf-foods.com); website: [www.adf-foods.com](http://www.adf-foods.com)

CIN: L15400GJ1990PLC014265

## ANNEXURE I

### 1. EXTRACT OF ANNUAL RETURN

The extract of Annual Return as provided under Sub-Section (3) of Section 92 of the Companies Act, 2013 ( the “Act”) is enclosed at **Annexure-IV** in the prescribed form **MGT-9** and forms part of this Report.

### 2. NUMBER OF MEETINGS OF THE BOARD

Four meetings of the Board of Directors of the Company were held during the year. For detail of the meetings, please refer to clause II(E) of the Corporate Governance Report, which forms part of this Report.

### 3. AUDIT COMMITTEE

The Audit Committee comprises of three Non-Executive Directors, viz; Mr. Nipun C. Shah, Mr. Yasir J. Varawala and Mr. Viren Merchant.

The Chairman of the Committee is Mr. Nipun C. Shah.

The terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement pertaining to corporate governance norms. In the meeting of the Board of Directors of the Company held on 12<sup>th</sup> November, 2014, the Board of Directors enhanced terms of reference and scope and functioning of the Audit Committee to align with the new requirements of the Companies Act, 2013 and Listing Agreement norms.

Mr. Bimal R. Thakkar, Managing Director, the Statutory Auditors and Internal Auditor are the permanent invitees to the Audit Committee Meetings. Ms. Shalaka Ovalekar acts as Secretary to the Committee.

### 4. INDEPENDENT DIRECTORS’ DECLARATION

The Independent Directors have submitted a declaration that each of them meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Act and revised Clause 49 of the Listing Agreements.

### 5. POLICY OF DIRECTORS’ APPOINTMENT AND REMUNERATION

Company’s policy on Directors’ appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Act is covered in the Corporate Governance Report which forms part of this Report. Further, information about elements of remuneration package of individual directors is provided in the extract of Annual Return as provided under Section 92(3) of the Act at **Annexure-IV** in the prescribed form **MGT-9** and forms part of this Report.

### 6. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

The Directors and members of Senior Management have affirmed compliance with the Code of Conduct for Directors. A declaration to this effect has been signed by Mr. Bimal R. Thakkar , Managing Director and forms part of the Annual Report.

### 7. RELATIONSHIP BETWEEN DIRECTORS INTER-SE

The details of Inter Se relationship between Executive Directors are given in the Corporate Governance Report.

### 8. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

There have been no loans and investments given under Section 186 of the Act during the financial year 2014-15.

### 9. TRANSACTIONS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were on an arm’s length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons ,subsidiary companies and other related parties which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are



placed before the Audit Committee and also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on yearly basis for the transactions which are of a foreseen and repetitive nature. A statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

Pursuant to requirements of Clause 49(V) of the Listing Agreement, Company has formulated a 'Policy on determining Material Subsidiaries'.

The Policy is posted on website of the Company viz; [www.adf-foods.com](http://www.adf-foods.com).

The web link of the said Policy is <http://www.adf-foods.com/pdfs/ADF%20Material%20Subsidiary%20Policy.pdf>

The particulars of contracts or arrangements with related parties as required under Section 134(3)(h) in prescribed Form AOC 2 are given at Annexure V.

## 10. INTERNAL FINANCIAL CONTROLS

The information about internal financial controls is set out in the Management Discussion & Analysis report which is attached and forms part of this Report.

## 11. RISK MANAGEMENT

The Company has adopted Business Risk Management System (BRMS) for mitigating various risks associated and identified across all levels within the organization. This model is based on ISO 31000. BRMS enables the management to review the business risks on periodical basis and to bring the high risk areas to the immediate attention of the Board.

## 12. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The Independent directors of the Company are eminent personalities having wide experience in the field of business, finance, industry and law. Their presence on the Board has been advantageous and fruitful in taking business decisions. Independent Directors are appointed as per the Governance guidelines of the Company, with management expertise and wide range of experience. The Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations by having one-to-one meeting with the Managing Director. The new Board members are also requested to access the necessary documents / brochures, Annual Reports and internal policies available at our website [www.adf-foods.com](http://www.adf-foods.com) to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made by Senior Management, Statutory and Internal Auditors at the Board/Committee meetings on business and performance updates of the Company, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent directors.

Familiarization program of the Company is displayed on the Company's website [www.adf-foods.com](http://www.adf-foods.com) and is available under the weblink: <http://www.adf-foods.com/pdfs/ADF%20Familiarisation%20program.pdf>.

## 13. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted a 'Whistle Blower Policy' in its meeting held on 11<sup>th</sup> August, 2014 with an objective to conduct its affairs in a fair and transparent manner and by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

With the adoption of this policy, the Company has put in place a mechanism wherein the Employees are free to report to the management any actual or possible violation of the Principles or any other unlawful or unethical or improper practice or act, or activity of the Company. Under the Whistle Blower Policy, the confidentiality of those reporting violation(s) is protected and they are not subject to any discriminatory practices. No personnel has been denied access to the Management & Audit Committee. The mechanism shall be reviewed by the Audit Committee of the Company in accordance with the Listing Agreement.

Whistle Blower Policy of the Company is displayed on the Company's website [www.adf-foods.com](http://www.adf-foods.com) and is available under the weblink <http://www.adf-foods.com/pdfs/ADF%20WB%20policy.pdf>

#### 14. PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES

Financial position of each of the subsidiaries is provided in a separate statement **AOC-I**, attached to the Financial Statement pursuant to first proviso to Section 129(3) of the Act.

#### 15. PARTICULARS OF REMUNERATION

The information required under Section 197 of the Act and the Rules made there-under, in respect of employees of the Company, is follows:-

**(a) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:**

Name of Executive Director	Ratio to Median Remuneration
Mr. Ashok H. Thakkar	27.66
Mr. Bimal R. Thakkar	27.66
Mr. Bhavesh R. Thakkar	27.66

**(b) the percentage increase in remuneration of each Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary or Manager, if any, in the financial year:**

Name of Person	% increase in Remuneration
Mr. Ashok H. Thakkar- Chairman	*24%
Mr. Bimal R. Thakkar – Managing Director & CEO	*24%
Mr. Bhavesh R. Thakkar- Executive Director & CFO	*24%
Ms. Shalaka Ovalekar- Company Secretary	*22%

\* The fixed remuneration components have been taken into consideration for determining the % increase in the remuneration over previous year.

**(c) the percentage increase in the median remuneration of employees in the financial year:**

17%.

**(d) the number of permanent employees on the rolls of company:**

316

**(e) the explanation on the relationship between average increase in remuneration and company performance:**

On an average, employees received an annual increase of 16% in India. The individual increments were given based on their individual performance. The increase in remuneration is in line with the market trends. In order to ensure that remuneration reflects Company performance, the commission payable to the Whole Time Directors and the Managing Director as one of the remuneration components is linked to the net profit as calculated u/s 198 of the Companies Act, 2013.

**(f) comparison of the remuneration of the Key Managerial Personnel against the performance of the company:**

₹ in Lakhs

Particulars	Amount
Remuneration of Key Managerial Personnel (KMP) during Financial Year 2014-2015 (aggregated)	154.73
Revenue from operations	14,945.17
Remuneration (as % of revenue)	1.04%
Profit before tax (PBT)	2,076.00
Remuneration (as % of PBT)	7.45%

- (g) variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year:

Particulars	Unit	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014	Variation
Closing rate of share at BSE	₹	58.30	44.90	29.84%
EPS (consolidated)	₹	4.02	2.17	85.25%
Market capitalization	₹ in Lac	12,826	9,878	29.84%
Price Earning Ratio (Consolidated)	Ratio	14.50	20.69	(29.92%)

- (h) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in salaries of employees other than managerial personnel in 2014-15 was 16%. Percentage increase in the managerial remuneration for the year was 24%.

- (i) Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company:

Particulars	₹ In lakhs			
	Mr. Ashok H. Thakkar	Mr. Bimal Thakkar	Mr. Bhavesh R. Thakkar	Ms. Shalaka Ovalekar
Remuneration	46.47	46.47	46.47	15.33
Revenue from operations	14,945.17			
Remuneration as % of revenue	0.31%	0.31%	0.31%	0.10%
Profits before tax (PBT)	2,076.00			
Remuneration as % of PBT	2.24%	2.24%	2.24%	0.74%

- (j) the key parameters for any variable component of remuneration availed by the directors:

Members at the AGM of the Company held on 24<sup>th</sup> September, 2014 approved payment of commission on net Profit as calculated u/s 198 of the Companies Act, 2013 at such rate as may be decided by the Board of Directors for the F.Y. The said commission is decided for the Executive Directors based on the performance of the organization.

- (k) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

None of the employees who is not a director received remuneration higher than the highest paid director during the year.

- (l) affirmation that the remuneration is as per the remuneration policy of the Company:

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavors to attract, retain, develop and motivate a high performance staff. The performance of the individuals is measured through the annual appraisal process. The Company affirms that the remuneration is as per the remuneration policy of the Company.

## 16. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF NON-EXECUTIVE DIRECTORS

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company except receipt of sitting fees for attending Board and Committee meetings.

**ANNEXURE II**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**ADF Foods Limited**

83/86, G I D C Industrial Area, Nadiad – 387 001, Gujarat.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ADF Foods Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our limited verification of the Company's Books, Papers, Minute Books, Forms and Returns filed with applicable regulatory authorities and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on March 31, 2015 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to reporting made hereinafter:

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test-check basis, the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and produced before us for the financial year ended March 31, 2015, as per the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent the same was applicable to the Company;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the Audit period**);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the Audit period**);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit period**); and

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit period)**;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not applicable to the Company during the Audit period)**.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

We further report that, based on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

1. Food Safety and Standards Act, 2006.
2. Food Safety and Standards Rules, 2011.
3. The Food Safety and Standards (Packaging and Labeling) Regulations, 2011.

Based on the aforesaid information provided by the Company, we report that during the financial year under report, the Company has complied with the provisions of the above mentioned Act/s, Rules, Regulations, Guidelines, Standards etc. mentioned above and we have no material observation or instances of non Compliance in respect of the same subject to the following observations:

*The Company has an unspent amount during the year in the amount to be spend towards Corporate Social Responsibility.*

#### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a reasonable system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The Decisions are carried by majority and proper system is in place which facilitates / ensures capturing and recording, the dissenting member's views, if any, as part of the Minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of other Acts, Laws and Regulations applicable to the Company, We report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

- a) The Members had passed a Special Resolution under Section 180(1)(c) of the Act, for borrowing monies, which may exceed the aggregate of the paid up capital of the Company and free reserves, such that the total outstanding amount so borrowed should not exceed ₹ 200 Crore at any point of time.
- b) The Members had passed a Special Resolution under Section 180(1)(a) of the Act, for creation of charge, mortgage and hypothecation on the assets of the Company for an outstanding aggregate value not exceeding ₹ 200 Crore.

**For Keyul M. Dedhia & Associates  
Company Secretaries**

**Keyul M. Dedhia**  
FCS No: 7756  
COP No: 8618

July 18, 2015  
Mumbai

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

## 'ANNEXURE A'

To,  
The Members,  
ADF Foods Limited  
83/86, G I D C Industrial Area, Nadiad – 387 001, Gujarat.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test-check basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Keyul M. Dedhia & Associates**  
**Company Secretaries**

**Keyul M. Dedhia**  
FCS No: 7756  
COP No: 8618

July 18, 2015,  
Mumbai

## ANNEXURE III

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

CSR Policy is stated herein below:

Weblink: <http://www.adf-foods.com/pdfs/CSR%20Policy.pdf>

2. Composition of the CSR Committee:

Mr. Viren Merchant                      Chairman (Independent Director)

Mr. Nipun C Shah                      Member (Independent Director)

Mr. Bimal R Thakkar                      Member (Managing Director)

3. Average net profit of the Company for last three financial years: ₹ 1591 Lakhs
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 31.83 Lakhs  
The Company is required to spend ₹ 31.83 Lakhs towards CSR.

5. Details of CSR spend for the financial year:

a. Total amount spent for the financial year: Nil

b. Amount unspent, if any: ₹ 31.83 Lakhs

Manner in which the amount spent during the financial year is detailed below:

Expenditure

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs Local area or other Specify the state and district where projects or programs was undertake	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub heads 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
	NIL						

6. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company is reproduced below:

We hereby affirm that CSR Policy, as recommended by CSR Committee and approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR projects and activities in compliance with CSR objectives.

Viren A. Merchant                      Bimal R. Thakkar                      Nipun C. Shah

Chairman – CSR Committee      Managing Director                      Director

Date: 11<sup>th</sup> August, 2015

Place: Mumbai

### CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

#### Introduction:

This policy has been framed in accordance with the provisions of Section 135 of the Companies Act, 2013 on Corporate Social Responsibility along with the Companies (CSR) Rules, 2014 have become applicable w.e.f 1<sup>st</sup> April, 2014.

The CSR activities/projects shall be undertaken or donations shall be made by the company to assist weaker and underprivileged sections of the society.

**Applicability:**

In every financial year, in which the Company has a Net worth of INR 500 Crores or more; or Turnover of INR 1000 Crores or more; or Net profit of INR 5 Crores or more it is required to spend 2% of the average net profits (Profit before tax) of the last three financial years on CSR activities.

**CSR Committee :**

CSR Committee will be a Board level committee known as Corporate Social Responsibility Committee. The constitution of CSR Committee is in accordance with the applicable provisions of the Act and comprises of the Managing Director and two independent directors.

The composition of the CSR Committee may be changed by the Board of Directors of the Company.

The Committee shall formulate CSR Policy, recommend the amount of expenses to be incurred in each CSR activity/project/program and monitor CSR policy on annual basis.

**CSR Activities as per Schedule VII and CSR Rules:**

1. eradicating extreme hunger and poverty;
2. promotion of education;
3. promoting gender equality and empowering women;
4. reducing child mortality and improving maternal health;
5. combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
6. ensuring environmental sustainability;
7. employment enhancing vocational skills;
8. social business projects;
9. contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
10. Other activities as prescribed under Guidelines for CSR activities/projects/programs:  
The Company may decide to undertake such CSR activities/projects/programs as may be recommended by the CSR Committee

Provided that -

- a. The Company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR committees is in a position to report separately on such projects or programs in accordance with the CSR Rules;
- b. The CSR projects shall be only taken up in India;
- c. The CSR projects or programs or activities shall not only benefit the employees of the Company;
- d. Company shall not contribute to any Political Party under CSR activities.

**Guidelines for monetary contributions :**

The Company may decide to grant donations to a registered trust/ a registered society/ a company established by the company or its holding or subsidiary or associate company under section 8 of the Act/by such institutions as mentioned in the Act:

Provided that-

if such trust, society or company is not established by the company or its holding or subsidiary or its associate company, it shall have an established track record of three years in undertaking similar programs or projects;

**Accounting and reporting:**

CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee. The report will be presented to the Committee at the end of each financial year.

Any surplus arising out of CSR projects/programs/activities shall not form part of the business profit.

The Board's Report shall include CSR report in the prescribed format on an annual basis.

The contents of CSR policy shall be disclosed in the Board's Report and the same shall be displayed on the Company's website.



## ANNEXURE IV

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31<sup>st</sup> March, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS

- i) CIN:- LI5400GJ1990PLC014265
- ii) Registration Date : 27/08/1990
- iii) Name of the Company : ADF Foods Ltd.
- iv) Category / Sub-Category of the Company : Company having Share Capital
- v) Address of the Registered office and contact details:  
83/86, G.I.D.C. Industrial Estate, Nadiad- 387001, Gujarat, India.  
Tel: 0268-2551381/2 Fax: 0268-2565068  
E-mail: nadiadfactory@adf-foods.com
- vi) Whether listed company Yes / ~~No~~
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Link Intime (India) Private Ltd.  
C-13 Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai -400 078.

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	ITC Code of the Product/ services	% to total turnover of the company
1	Meal Accompliments	20019000	54.67%
2	Can Food & Ready to eat	20051000	15.82%
3	Frozen Foods	20049000	14.90%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	ADF Foods (India) Ltd.	U15132GJ2009PLC058782	Subsidiary	100%	2(87)
2	ADF Foods (UK) Ltd.	Foreign Company	Subsidiary	100%	2(87)
3.	*Power Brands (Foods) Pvt Ltd.	U15490MH2007PTCI70748	Subsidiary	99.99%	2(87)
4.	ADF Holdings (USA) Ltd	Foreign Company	Step down Subsidiary	100%	2(87)
5.	ADF Foods (USA) Ltd	Foreign Company	Step down Subsidiary	100%	2(87)

\* Power Brands (Foods) Pvt Ltd has undergone Voluntary Liquidation vide Special resolution passed by the Members on 5<sup>th</sup> November, 2012.

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	total	% of total	Demat	Physical	total	% of total	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	97,73,183	-	97,73,183	44.42	1,07,03,183	-	1,07,03,183	48.65	4.23
b) Central Govt	-	-	-	-	-	-	-	-	-
c) Sate Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corp	2,38,399	-	2,38,399	1.08	2,38,399	-	2,38,399	1.08	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub total (A)(1)</b>	<b>1,00,11,582</b>	<b>-</b>	<b>1,00,11,582</b>	<b>45.50</b>	<b>1,09,41,582</b>	<b>-</b>	<b>1,09,41,582</b>	<b>49.73</b>	<b>4.23</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A) (1)+(A)(2)</b>	<b>1,00,11,582</b>	<b>-</b>	<b>1,00,11,582</b>	<b>45.50</b>	<b>1,09,41,582</b>	<b>-</b>	<b>1,09,41,582</b>	<b>49.73</b>	<b>4.23</b>
<b>B Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	18,300	18,300	0.08	-	18,300	18,300	0.08	-
b) Banks / FI	300	500	800	-	25,384	500	25,884	0.12	0.12
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	5,300	5,300	0.03	95,440	5,300	1,00,740	0.46	0.43
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>300</b>	<b>24,100</b>	<b>24,400</b>	<b>0.11</b>	<b>1,20,824</b>	<b>24,100</b>	<b>1,44,924</b>	<b>0.66</b>	<b>0.55</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	22,89,407	18,800	23,08,207	10.49	29,80,259	17,600	29,97,859	13.63	3.14
ii) Overseas	2649700	-	26,49,700	12.05	-	-	-	-	(12.05)
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	22,42,006	13,25,267	35,67,273	16.22	34,78,870	12,92,967	47,71,837	21.69	5.47
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	26,36,442	-	26,36,442	11.98	23,88,788	-	23,88,788	10.86	(1.12)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	total	% of total	Demat	Physical	total	% of total	
c) Others (specify)									
i) NRI (Repat)	71,822	1,200	73,022	0.33	1,49,365	1,200	1,50,565	0.68	0.35
ii) NRI (non Repat)	15,412	-	15,412	0.07	24,964	-	24,964	0.11	0.04
iii) Clearing member	3,58,609	-	3,58,609	1.63	2,34,128	-	2,34,128	1.07	(0.56)
iv) Directors/ relative	3,54,853	-	3,54,853	1.62	3,44,853	-	3,44,853	1.57	(0.05)
v) Trusts	500	-	500	-	500	-	500	-	-
Sub-total (B)(2)	<b>1,06,18,751</b>	<b>13,45,267</b>	<b>1,19,64,018</b>	<b>54.39</b>	<b>96,01,727</b>	<b>13,11,767</b>	<b>1,09,13,494</b>	<b>49.61</b>	<b>(4.78)</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>1,06,19,051</b>	<b>13,69,367</b>	<b>1,19,88,418</b>	<b>54.50</b>	<b>97,22,551</b>	<b>13,35,867</b>	<b>1,10,58,418</b>	<b>50.27</b>	<b>(4.23)</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>2,06,30,633</b>	<b>13,69,367</b>	<b>2,20,00,000</b>	<b>100.00</b>	<b>2,06,64,133</b>	<b>13,35,867</b>	<b>2,20,00,000</b>	<b>100.00</b>	<b>-</b>

## (ii) Shareholding of Promoters

Sr No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change as a % of total shares of the Company
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Ashok H. Thakkar	18,36,354	8.35	Nil	18,36,354	8.35	Nil	Nil
2	Bhavesh R. Thakkar	11,76,450	5.35	Nil	11,76,450	5.35	Nil	Nil
3	Bimal R. Thakkar	12,71,074	5.77	Nil	22,01,074	10.00	Nil	4.23
4	Bhavesh R. Thakkar(HUF)	2,73,000	1.24	Nil	2,73,000	1.24	Nil	Nil
5	Bimal Thakkar (HUF)	5,95,246	2.71	Nil	5,95,246	2.71	Nil	Nil
6	Mishal A.Thakkar	18,21,098	8.27	Nil	18,21,098	8.27	Nil	Nil
7	Mahalaxmi R. Thakkar	19,58,022	8.90	Nil	19,58,022	8.90	Nil	Nil
8	Parul B. Thakkar	3,16,007	1.44	Nil	3,16,007	1.44	Nil	Nil
9	Priyanka B. Thakkar	5,25,932	2.39	Nil	5,25,932	2.39	Nil	Nil
10	H J Thakkar Property Investments Ltd.	2,38,399	1.08	Nil	2,38,399	1.08	Nil	Nil
	Total	1,00,11,582	45.50	Nil	1,09,41,582	49.73	Nil	4.23

## (iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2014		Change in the shareholding during the year		Shareholding at the end of the year as on 31.03.2015	
		No of shares	% of the total Shares of the Company	No of shares	% of the total Shares of the Company	No of shares	% of the total Shares of the Company
1	Ashok H. Thakkar	18,36,354	8.35	Nil	Nil	18,36,354	8.35
2.	*Bimal R. Thakkar	12,71,074	5.77	9,30,000	4.23	22,01,074	10.00
3	Bimal Thakkar HUF	5,95,246	2.71	Nil	Nil	5,95,246	2.71
4	Bhavesh R. Thakkar	11,76,450	5.35	Nil	Nil	11,76,450	5.35
5	Bhavesh Ramesh Thakkar HUF	2,73,000	1.24	Nil	Nil	2,73,000	1.24
6	Mishal A. Thakkar	18,21,098	8.27	Nil	Nil	18,21,098	8.27
7	Mahalaxmi R. Thakkar	19,58,022	8.90	Nil	Nil	19,58,022	8.90
8	Parul B. Thakkar	3,16,007	1.44	Nil	Nil	3,16,007	1.44
9	Priyanka B. Thakkar	5,25,932	2.39	Nil	Nil	5,25,932	2.39
10	H J Thakkar Property Investments Ltd.	2,38,399	1.08	Nil	Nil	2,38,399	1.08

\*Note: Bimal R. Thakkar

Increase: Acquired 9,30,000 shares on 12.06.2014.

Reason: Market Purchase.

Decrease: Nil

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2014		Change in the shareholding during the year		Shareholding at the end of the year as on 31.03.2015	
		No of shares	% of the total Shares of the Company	No of shares	% of the total Shares of the Company	No of shares	% of the total Shares of the Company
1.	*Top Class Capital Markets Private Limited	17,52,859	7.97	(1,65,324)	(0.75)	15,87,535	7.22
2.	*Lalkar Securities Pvt Ltd	3,01,214	1.36	1,41,597	0.64	4,42,811	2.00
3.	*Lashit Sanghvi	Nil	Nil	3,68,750	1.67	3,68,750	1.67
4.	*Nikhil Vora	2,00,000	0.91	85,000	0.39	2,85,000	1.30
5.	*Accounts Receivables Management Services (India) Limited	Nil	Nil	2,69,500	1.22	2,69,500	1.22
6.	Ashwin Kedia	2,50,000	1.14	Nil	Nil	2,50,000	1.14
7.	Sanand Properties Pvt Ltd	2,30,191	1.05	Nil	Nil	2,30,191	1.05
8.	*Zaki Abbas Nasser	1,10,000	0.50	(10,000)	(0.05)	1,00,000	0.45
9.	*India Opportunities Growth Fund Ltd - Pinewood Strategy	Nil	Nil	95,440	0.43	95,440	0.43
10.	*Pallavi Navinchandra Mehta	85,292	0.39	5,397	0.02	90,689	0.41

Note:

\*1. Top Class Capital Markets Private Limited

Increase: Nil

Decrease: Sold 1,65,324 shares on 12.06.2014

Reason: Market Sale.

\*2. Lalkar Securities Private Limited

Increase: Acquired 6,955 shares on 18.04.2014; 5,938 shares on 25.04.2014; 6,189 shares on 02.05.2014; 5,456 shares on 09.05.2014; 8,097 shares on 16.05.2014; 7,665 shares on 23.05.2014; 13,870 shares on 06.06.2014; 30,245 shares on 04.07.2014; 1,54,422 shares on 11.07.2014; 41,122 shares on 18.07.2014; 56,621 shares on 25.07.2014; 714 shares on 01.08.2014; 15,519 shares on 24.10.2014; 5,512 shares on 21.11.2014; 54,874 shares on 19.12.2014; 21,815 shares on 31.12.2014; 1,242 shares on 02.01.2015; 1,19,032 shares on 09.01.2015; 9,152 shares on 16.01.2015; 7,374 shares on 23.01.2015; 37,125 shares on 30.01.2015; 27,716 shares on 06.02.2015; 11,713 shares on 13.02.2015; 2,000 shares on 20.02.2015; 691 shares on 27.03.2015; 500 shares on 31.03.2015.

Reason: Market Purchase.

Decrease: Sold 4,000 shares on 04.04.2014; 49,823 shares 05.09.2014; 23,500 shares on 12.09.2014; 5,000 shares on 19.09.2014; 1,88,654 shares on 30.09.2014; 19,166 shares on 03.10.2014; 53,355 shares on 10.10.2014; 46,048 shares on 17.10.2014; 23,609 shares on 31.10.2014; 6,089 shares on 07.11.2014; 23,000 shares on 14.11.2014; 2,761 shares on 28.11.2014; 17,458 shares on 05.12.2014; 47,499 shares on 12.12.2014.

Reason: Market Sale.

**\*3. Lashit Sanghvi**

*Increase: Acquired 3,00,000 shares on 20.06.2014; 18,750 shares on 28.11.2014 and 50,000 shares on 09.01.2015*

*Reason: Market Purchase.*

*Decrease: Nil*

**\*4. Nikhil Vora**

*Increase: Acquired 1,20,000 shares on 20.06.2014.*

*Reason: Market Purchase.*

*Decrease: Sold 35,000 shares on 13.06.2014.*

*Reason: Market Sales.*

**\*5. Accounts Receivables Management Services (India) limited**

*Increase: Acquire 46,472 shares on 09.01.2015; 25,843 shares on 16.01.2015 and 19,185 shares on 23.01.2015; 22,500 shares on 30.01.2015; 24,700 shares on 06.02.2015; 2,500 shares on 13.02.2015; 13,800 shares on 20.02.2015; 23,000 shares on 27.02.2015; 13,711 shares on 13.03.2015; 50,172 shares on 20.03.2015; 27,617 shares on 31.03.2015.*

*Reason: Market Purchase.*

*Decrease: Nil.*

**6. Ashwin Kedia**

*Increase: Nil*

*Decrease: Nil*

**7. Sanand Properties Pvt Ltd**

*Increase: Nil.*

*Decrease: Nil*

**\*8. Zaki Abbas Naseer**

*Increase: Acquired 20,000 shares on 15.08.2014 and 10,000 shares on 31.10.2014.*

*Reason: Market Purchase.*

*Decrease: Sold 20,000 shares on 06.06.2014 and 20,000 shares on 20.06.2014.*

*Reason: Market Sale.*

**\*9. India Opportunities Growth Fund Ltd-Pinewood Strategy**

*Increase: Acquired 42,000 shares on 19.09.2014; 60,000 shares on 19.12.2014; 35,440 shares 31.12.2014 and 28,000 shares 16.01.2015.*

*Reason: Market Purchase.*

*Decrease: Sold 70,000 shares on 27.02.2015.*

*Reason: Market Sale.*

**\*10. Pallavi Navinchandra Mehta**

*Increase: Acquired 3,199 shares on 04.04.2014 and 2,317 shares 18.04.2014.*

*Reason: Market Purchase.*

*Decrease: Sold 119 shares on 11.04.2014.*

*Reason: Market Sale.*

(v) *Shareholding of Directors and Key Managerial Personnel:*

Sr. No	Name of the Shareholder	Shareholding at the beginning of the year as on 01.04.2014		Change in the shareholding during the year		Shareholding at the end of the year as on 31.03.2015	
		No of shares	% of the total Shares of the Company	No of shares	% of the total Shares of the Company	No of shares	% of the total Shares of the Company
1.	Mr. Ashok H. Thakkar, Chairman	18,36,354	8.35	Nil	Nil	18,36,354	8.35
2.	*Mr. Bimal R. Thakkar , Managing Director & CEO	12,71,074	5.77	9,30,000	4.23	22,01,074	10.00
3.	Mr. Bhavesh R. Thakkar , Executive Director & CFO	11,76,450	5.35	Nil	Nil	11,76,450	5.35
4.	Mr. Nipun C. Shah , Independent Director	54,450	0.25	Nil	Nil	54,450	0.25
5.	Mr. Yasir J Varawala, Independent Director	50,000	0.23	(10,000)	(0.05)	40,000	0.18
6.	Mr. Viren A. Merchant , Independent Director	50,000	0.23	Nil	Nil	50,000	0.23
7.	Mr. Jay M. Mehta, Independent Director	50,000	0.23	Nil	Nil	50,000	0.23
8.	Mr. Ravinder Kumar Jain, Independent Director	50,000	0.23	Nil	Nil	50,000	0.23
9.	Ms. Anjali Seth, Independent Director	Nil	Nil	Nil	Nil	Nil	Nil
10.	Ms. Shalaka Ovalekar , Company Secretary	Nil	Nil	Nil	Nil	Nil	Nil

\*Note: Bimal R. Thakkar

Increase:

Acquired 9,30,000 shares on 12.06.2014.

Reason: Market Purchase.

Decrease: Nil

## V. INDEBTEDNESS

### Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1522.00	Nil	Nil	1522.00
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	1522.00	Nil	Nil	1522.00
<b>Change in Indebtedness during the financial year</b>				
• Addition	72.86	Nil	Nil	72.86
• Reduction	835.61	Nil	Nil	835.61
<b>Net Change</b>	762.75	Nil	Nil	762.75

Indebtedness at the end of the financial year				
i) Principal Amount	759.03	Nil	Nil	759.03
ii) Interest due but not paid	0.22	Nil	Nil	0.22
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	<b>759.25</b>	<b>Nil</b>	<b>Nil</b>	<b>759.25</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Amount in ₹

Sr. No.	Particulars	Names of Directors			
		Mr. Ashok H. Thakkar, Chairman	Mr. Bimal R. Thakkar, Managing Director & CEO	Mr. Bhavesh R. Thakkar, Executive Director & CFO	Total Amount
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	35,91,000	35,91,000	35,91,000	1,07,73,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10,55,855	10,55,783	10,55,975	31,67,613
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total (A)	46,46,855	46,46,783	46,46,975	1,39,40,613
	Ceiling as per the Act				1,90,14,000

### B. Remuneration to other directors:

Amount in ₹

Sr. no.	Particulars of Remuneration	Name of Directors					Total Amount	
		Mr. Nipun C. Shah	Mr. Yasir J. Varawala	Mr. Viren Merchant	Mr. Jay Mehta	Mr. Ravinder Kumar Jain		Ms. Anjali Sheth
1.	Independent Directors							
	● Fee for attending board / committee meetings	2,35,000	1,90,000	2,35,000	90,000	90,000	Nil	8,40,000
	● Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	● Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	2,35,000	1,90,000	2,35,000	90,000	90,000	Nil	8,40,000
2.	Other Non-Executive Directors							
	● Fee for attending board / committee meetings	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	● Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	● Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	2,35,000	1,90,000	2,35,000	90,000	90,000	Nil	8,40,000
	Total Managerial Remuneration	Not Applicable as the same comprises of sitting fees paid to the independent directors for attending board and committee meetings.						
	Overall Ceiling as per the Act							1,90,14,000

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:**

Amount in ₹

Sr. no	Particulars of Remuneration	Details of KMP	
		Company Secretary	Total
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15,33,480	15,33,480
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL
5.	Others, please specify	NIL	NIL
	Total	15,33,480	15,33,480

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	NIL				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	NIL				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL				
Punishment					
Compounding					



**ANNEXURE V**

FORM no. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis : The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2014-15.
2. Details of material contracts or arrangement or transactions at arm's length basis:

Name of Related Party	Nature of Relationship	Nature of Contracts / salient features	Duration of Contract	Board's approval date	Member's approval date	Monetary value during the FY 2014-15
ADF Foods (India) Ltd.	Wholly owned subsidiary	Sale, purchase or supply of any goods or materials and/or availing or rendering of any services Maximum Limit ₹ 50 crore per annum	Duration of Contract is from 01 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2017.	11 <sup>th</sup> August, 2014	24 <sup>th</sup> September, 2014	₹ 187.23 Lacs
ADF Foods USA Ltd.	Step down Subsidiary	Sale, purchase or supply of any goods or materials and/or availing or rendering of any services. Maximum Limit ₹ 50 crore per annum	Duration of Contract is from 01 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2017.	11 <sup>th</sup> August, 2014	24 <sup>th</sup> September, 2014	₹ 12.36 Lacs
M H Foods Pvt. Ltd.	Interested Directors	Sale, purchase or supply of any goods or materials and/or availing or rendering of any services. Maximum Limit ₹ 10 lakhs per annum	Duration of Contract is from 01 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2017.	11 <sup>th</sup> August, 2014	24 <sup>th</sup> September, 2014	₹ 0.33 Lacs
Mishal A. Thakkar	Person in place of profit	Employment contract. Basic : ₹ 54000/- HRA : 40% of basic LTA: for himself and his family subject to a ceiling of ½ months basic salary in a year Reimbursement of medical expenses incurred by him and family subject to a ceiling of ½ months basic salary in a year Ex gratia at the time of Diwali subject to one month's basic salary Other benefits such as PF and Gratuity Provision of a car for use on company's business	Duration of Contract is from 01 <sup>st</sup> October, 2014 to 30 <sup>th</sup> September, 2015 .	11 <sup>th</sup> August, 2014	24 <sup>th</sup> September, 2014	₹ 9.82 Lacs

Mahalaxmi R. Thakkar	Relative of Directors Mr. Ashok H. Thakkar, Mr. Bimal R. Thakkar & Mr. Bhavesh R. Thakkar	Lease of bungalow at Nadiad transmitted in the name of Mrs. Mahalaxmi Ramesh Thakkar (Lessor) after death of Late. Shri Ramesh H. Thakkar Rent – ₹ 50,000 /-per annum and Interest Free Refundable Security Deposit of ₹ 15,00,000/-	Duration of Contract is for 99 years w.e.f. from 01 <sup>st</sup> April, 2007.	12 <sup>th</sup> August, 2015	Member's approval will be sought in the forthcoming AGM.	₹ 50,000/-
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**For and on Behalf of the Board of Directors**

**Ashok H. Thakkar**  
**Chairman**  
**DIN: 00087465**

Mumbai, 12<sup>th</sup> August, 2015

**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

**ANNEXURE TO DIRECTORS' REPORT**  
**ANNEXURE VI**

**Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as prescribed under Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2015.**

**A. Conservation of Energy**

The Company has been continuously attempting to create a conscious awareness against excessive consumption and wastage at all levels. The Company is taking all possible steps to conserve energy. Maximum efforts for this purpose will continue.

**FORM A**

Form for disclosure of particulars with respect to Conservation of Energy

**(A) Power and Fuel Consumption:**

	2014-15	2013-14
<b>1 Electricity</b>		
a. Purchased Units (KWH)	3,009,467	2,791,314
Total Amount (₹)	22,271,982	19,790,478
Average Rate/Unit (₹)	<b>7.40</b>	<b>7.09</b>
b. Own Generation		
i. Through Diesel Generator	<b>N.A.</b>	<b>N.A.</b>
Units (KWH)		
Units/Lt.of Diesel		
Cost/Unit (₹)		
ii. Through Steam Turbine/Generator	<b>N.A.</b>	<b>N.A.</b>
<b>2 Agro waste &amp; Fire Wood:</b>		
Quantity (kgs)	1,055,159	954,790
Total Amount (₹)	4,738,810	4,318,235
Average Rate/KL (₹)	<b>4.49</b>	<b>4.52</b>
<b>3 Fuel Furnace Oil + Light Diesel</b>		
Quantity (K.L.)	310,607	299,694
Total Amount (₹)	12,148,796	13,139,117
Average Rate/KL (₹)	<b>39.11</b>	<b>43.84</b>
<b>4 Others/internal Generation</b>	<b>N.A.</b>	<b>N.A.</b>

**(B) Consumption per unit of production:**

Products(with details)

Unit, Electricity, Furnace oil, Agro waste, Coal (specify quantity)

Since the Company manufactures several items viz. Pickles, chutneys, Pastes and other food stuffs, having regard to other books maintained by the Company, it is impracticable to apportion the utilities.

## B. Technology Absorption, Research and development (R&D)

### FORM B

Form for disclosure of particulars with respect to absorption  
 Research and Development (R & D)

1. Specific areas in which R&D carried out by the Company

- Development of new recipes.
- Development of new products.
- Improvement in quality.
- Better packaging.
- Standardisation in packaging.

2. Benefits derived as a result of the above R&D.

Benefits comprise of improved customer satisfaction, introduction of new brands, introduction of new products, meeting world class quality norms, enhancement of exports, reduced costs on packing.

3. The Company will continue its efforts to develop new products, new recipes, reduce costs, improve technology and produce quality products.

4. Expenditure on R&D

	<b>2014-15</b>	<b>2013-14</b>
	₹	₹
(a) Capital	245,815	23,864
(b) Recurring	1,367,714	1,211,843
(c) Total	1,613,529	1,235,707
(d) Total R&D expenditure as a percentage of total turnover	0.1147%	0.0926%

#### Technology Absorption. Adaptation and Innovation

1. Efforts, in brief, made towards technology absorption. Adaptation and innovation:

The Company upgraded its technology at Nadiad to world class standard.

At Nasik, the Company has improved state of the art machinery for manufacture of spices and masalas.

2. Benefits derived as a result of the above efforts:

Satisfaction of customer needs, improvement in product quality, new product development.

## C. Foreign Exchange Earnings and outgo

1. The Company has maintained its focus on development of exports both in the ethnic and mainstream markets. The Company's products under the brand name "ASHOKA" & "AEROPLANE" are very popular in the U.S.A., U.K., Canada and Australia. "CAMEL" is popular in the Middle East. The Company will continue to make exports a thrust area.

2. Total Foreign Exchange used and earned:

	<b>2014-15</b>	<b>2013-14</b>
	₹ (in lacs)	₹ (in lacs)
Total Foreign Exchange Earned	12707.28	11714.66
Total Foreign Exchange Used	851.97	1204.29

**For and on Behalf of the Board of Directors**

**Ashok H. Thakkar**

**Chairman**

Din: 00087465

Mumbai, 12<sup>th</sup> August, 2015

**Regd. Office :**

83/86 GIDC Industrial Estate, Nadiad 387001, Gujarat

Tel.: 0268-2551381/2 Fax. : 0268-2565068;

E-mail: [info@adf-foods.com](mailto:info@adf-foods.com); website: [www.adf-foods.com](http://www.adf-foods.com)

CIN: LI5400GJ1990PLC014265

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**I. Overview of the Food Processing Sector :**

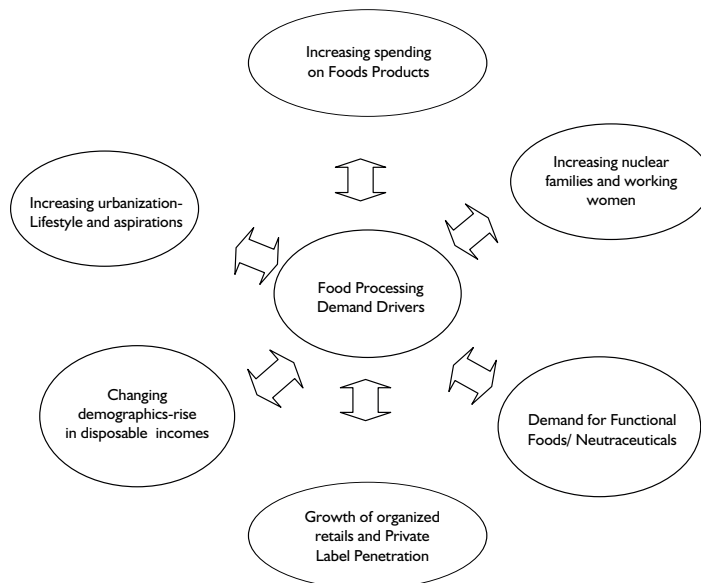
India is a richly endowed agricultural nation. It has nearly a tenth of world’s arable land and a fifth of world’s irrigated land. India has all major climates of the world, enjoys long sunshine hours, fairly good rainfall which are ideally suited for round the year cultivation. Given the resource endowment, India has all the potentials to become one of the largest food processing countries in the world. Currently the food processing industry is one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. Abundant supply of raw materials, increase in demand and incentives offered by the government has impacted food processing industry positively. Food processing sector has emerged as an important segment of the Indian economy in terms of its contribution to GDP, employment and investment. During the last 5 years ending 2012-13, Food Processing Industries Sector has been growing at an Average Annual Growth Rate (AAGR) of around 8.4 percent as compared to around 3.3 percent in Agriculture and 6.6 percent in Manufacturing sectors. (Source : MOFPI Annual Report 2013-14). According to the latest Annual Survey of Industries (ASI) for 2011-12 , this sector has a total of 36,881 registered units with fixed capital of nearly ₹ 1.45 lakh crore and producing output of around ₹ 7.34 lakh crore in value terms. The sector has generated employment to the tune of 17.77 lakh persons.

The value of processed food exports during 2013-14 was of the order of US \$ 37.79 Billion constituting 12.1 percent of the India’s total exports. (Source: DGCI&S, Kolkata)

The Foreign Direct Investment inflows in Food Processing Sector in the country during the year 2013-14 was US\$ 3982.88 million as compared to US \$ 401.46 million for the year 2012-13 . (Source : Department of Industrial Policy & Promotion (DIPP).

Foreign Direct Investment (FDI) is permissible for the processed food products upto 100% on automatic route except for the items reserved for Micro and Small Enterprises. The Government has recently de-reserved bread, pickles and chutneys .This is a welcome move and it will encourage greater FDI investments.

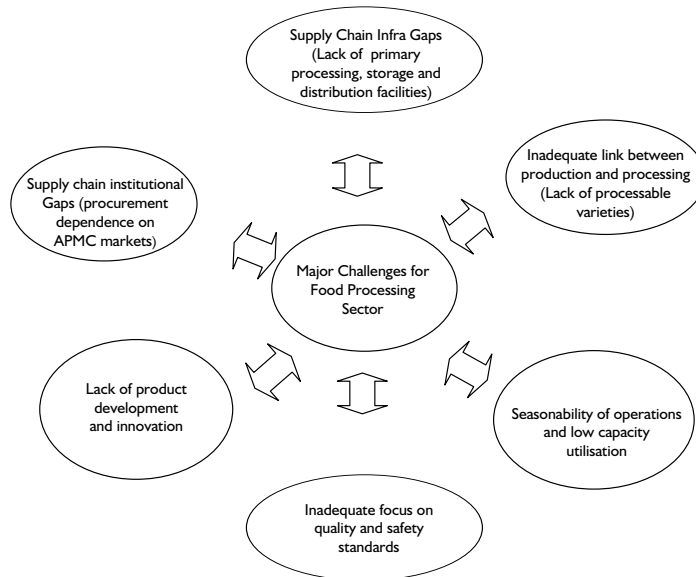
Indian Food Processing Sector – Growth Potential :



(Source: MOFPI Annual Report 2013-14)

### Indian Food Processing Sector – Impediments:

Simultaneously the Food Processing Sector in India has been facing certain major challenges such as :



(Source: MOFPI Annual Report 2013-14)

## **2. Opportunities, Threats and General Business Outlook**

The Company is constantly focusing to establish a strong position in the growing processed foods industry in India and abroad. It is engaged in the manufacturing and trading of various Processed foods . The range of Company’s products includes Meal Accompaniments (Pickles, Pastes, Chutneys), Ready-to-eat Curries, Canned Vegetables in Brine, Spices in whole and ground form, blended masala, IQF Indian Vegetables, Frozen snacks, Frozen Parathas, Frozen Continental and Mexican Foods, etc.

The Company is making constant efforts to tap new markets and to constantly innovate and renovate the products in its portfolio to meet changing trends and preferences of the Global consumers. The Company has well established brands and strong distribution networks in Europe, USA, Middle East Countries, Australia, Canada and Asia.

The overall Business Development is as under :

### **India :**

The year under review witnessed rebranding of the Company’s brand ADF SOUL with a better look of the logo and more appealing packaging designs. The new products launched under this brand during the year were the ‘South Indian Style Pickles’ and ‘Cooking Pastes’ – in user-friendly laminated tubes . These products have been appreciated by the consumers & are fast gaining shelf space amongst the top retail chains in India. The Company is gearing up to launch a range of exciting new products and expand its footprints in new markets in the forthcoming year.

### **USA :**

The Company continues to develop the presence of its core brands viz. ADF SOUL, Nate’s and PJ’s and solidify its distribution channels across the US markets. During the year under review, the Company developed and launched a range of new products including a very innovative product called Nate’s Mediterranean Bites that has received an overwhelming response from the consumers. The company has been successful in doing new listing in major supermarket chains and natural grocery stores across the USA. Also several exciting and innovative new products are in pipeline under the Company’s brand umbrella.

## International business :

Apart from India and USA the Company's products are being sold in over 45 countries across the Globe. During the year under review, the company's leading International brands Ashoka , Aeroplane and Camel underwent packaging revamp.

The new product introductions under the Ashoka brand were Mini Samosas, Snacks, Kathi Rolls in the frozen range and Chutneys made with Olive Oil in the dry range. There were new introductions under Camel and Aeroplane brands like the Cooking Pastes, South Indian Style Pickles, North Indian Pickles and Sauces.

## SWOT analysis :

The Company's **strengths** include a wide range of products from treats to healthy eats at affordable price, ongoing product up-gradation based on feedback on consumer insights ,a dedicated team force , strong distribution network that allows wide reach and coverage in target markets.

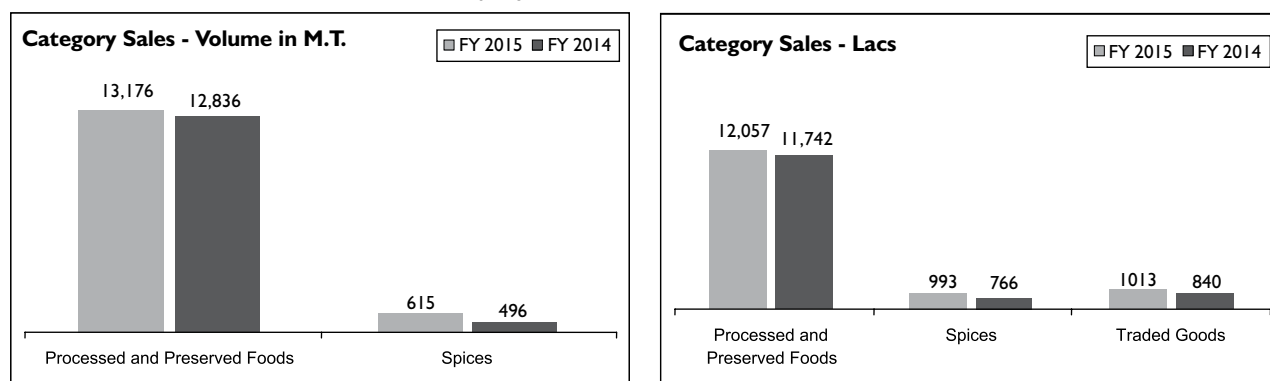
The continuing **factors posing as weaknesses/hindrances** for the Company are the complex supply chain configuration, the Labour intensive operations, and ever rising costs. Irrespective of these factors, the Company is driven by the strength to meet the customer expectations and the same is evident with the market response. Busy lifestyles, working women, smaller and more diverse households , increasing per capita income leading to increase in demand for convenience food products continue to provide good growth **opportunities** for the Company.

The Business risks or **threats** faced by the Company are mainly lack of adequate external infrastructure, increase in the prices of raw materials, packing material and fuel, non availability of raw materials, exchange rate fluctuations, changes in fiscal benefits/laws. Also, the industry growth is largely affected by lack of integrated supply chain. The intense competition faced from established brands in the organized sector and numerous players in unorganized sector does impact the business growth to an extent.

## 3. Product-wise Performance

In accordance with the requirements of Accounting Standard AS-17, "Segmental Reporting", the Company has determined its business segment as 'Processed and Preserved Foods'. Since the entire business of the Company is from Processed and Preserved Foods, there are no other primary reportable segments.

The Product-wise Performance of the Company is as follows:



## 4. Risks and Concerns

The Company continuously works towards de-risking its business by adopting preventive measures. Your Company has well established Business Risk Management System which enables detection and monitoring of the business risks on a continuous basis. However, there are certain potential risks being more industry oriented and the management strongly feels the same could be mitigated by having systematic decisions and measures. These industry oriented risks are as listed below :

- **Raw Material prices and operating expenses**

Raw Material is a very crucial cost for the Company's products. Any increase in the prices of core raw materials , would adversely affect the Company's operating results. The Company is adopting best possible measures to keep operating expenses as much under control and also working on better product mix to maintain the margins.

- **Competition**

Competition, generally perceived as the 'game changing risk' is a critical area in Food industry sector. With players continuously entering both the organized as well as unorganized sector, it is bound to increase the pressure on pricing strategies and the demand for Company's products. There is an apparent rise in the number of international food franchises getting their foothold in India. Even with this, the management is positive to outperform with its performance.

- **Exchange Rate Fluctuation**

The Company being engaged in exports, derives approximately 95% of its revenue from export sales. An appreciation of the Indian Rupee can adversely impact the Company's exports. The Company manages this financial risk through booking of forward contracts in the range of approximately 50% of our projected sales.

## 5. Internal control systems and their adequacy

Identification and monitoring the internal control systems play a crucial role in an organization. The Company has a well established system of internal controls, and its adequacy is constantly supervised by the Management. The internal control system implemented by the Company strikes at achieving efficiency in operations, optimum utilization of resources and effective monitoring thereof and compliance with all applicable laws and regulations.

Regular audits are conducted by the external agencies at all the units of the Company in order to ensure the effectiveness and suggest areas of improvement and strengthening. These frequent audits help the Company to identify, gauge and thereby administer the areas where further improvement can be undertaken. The Audit Committee of the Board reviews the adequacy of internal controls.

## 6. Financial performance with respect to operational performance

Tight budgetary control, over all key operational performance indicators and review of working capital is being exercised for continuous improvement of performance and profitability. Funds have been judiciously deployed to support high quantum of operations without resorting to additional borrowings, wherever possible.

A detailed note on the financial performance of the Company in given in the Directors Report.

## 7. Material developments in Human Resources/ Industrial Relations front, including number of people employed

The Company believes in the overall development and continuous growth of its employees. The Company continues to provide its employees the ideal workplace where they can give optimum results. This has resulted into team spirit and team work. The Company continues to equip its employees with the skill which would enable them to meet the growing organizational challenges.

The relationships with employees have been cordial and operations at the factory uninterrupted. Measures for safety of employees, welfare and development continue to receive top priorities. The Company has 316 employees as on 31<sup>st</sup> March, 2015.

## 8. CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, competitive actions, changes in Government regulations, tax regimes, economic developments in India and in countries in which the Company conducts business and other incidental factors.

\*\*\*\*\*



## REPORT ON CORPORATE GOVERNANCE

### I COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, disclosure, monitoring and fairness in all spheres of its operations and in all its dealings with the shareholders, employees, the Government and other parties. Your Company is committed to adoption and adherence to the best Corporate Governance practices at all times.

The Corporate Governance guidelines are in compliance with the requirements of Clause 49 of the Listing Agreements with the stock exchanges.

The Company presents a summary of the practices it followed during the year in deference to its commitment to fairness, transparency and accountability.

### II. BOARD OF DIRECTORS

#### A Composition :

The Board of Directors of your Company represents an optimum mix of professionalism, knowledge and experience. As on 31<sup>st</sup> March, 2015, the total strength of the Board of Directors of the Company was Nine Directors comprising of three Executive Directors and six Non-Executive Independent Directors. The Independent Directors are eminent professionals/ entrepreneurs with wide range of knowledge and experience in business, industry, finance and law. Their presence on the Board has been advantageous and fruitful in taking business decisions.

The composition of the Board, their attendance at the meeting, their Directorship and Memberships of Committees in other Companies as on 31<sup>st</sup> March, 2015 are given below:

Name of the Director	Designation Executive/Non Executive Independent/ Promoter	Board Meetings held and attended by the Directors		Attendance at the last Annual General Meeting	*Directorships in other Companies	* Memberships of Committees of other Companies
		Held	Attended			
Mr. Ashok H. Thakkar	Chairman Executive Director Promoter	4	4	YES	1	Nil
Mr. Nipun C. Shah	Director Non Executive Independent	4	4	YES	1	Nil
Mr. Yasir J. Varawala	Director Non Executive Independent	4	2	NO	1	Nil
Mr. Jay M. Mehta	Director Non Executive Independent	4	3	NO	7	2
Mr. Viren A. Merchant	Director Non Executive Independent	4	4	NO	Nil	Nil
Mr. Bimal R. Thakkar	Managing Director Promoter	4	4	YES	3	1
Mr. Bhavesh R. Thakkar	Executive Director Promoter	4	2	NO	1	Nil

Name of the Director	Designation Executive/Non Executive Independent/ Promoter	Board Meetings held and attended by the Directors		Attendance at the last Annual General Meeting	*Directorships in other Companies	* Memberships of Committees of other Companies
		Held	Attended			
Mr. Ravinder Kumar Jain	Director Non Executive Independent	4	3	NO	2	1
**Ms. Anjali Seth	Director Non Executive Independent	NA	NA	NA	5	2

\*[1] Number of Directorships held by the Directors, as mentioned above do not include alternate Directorships and Directorships held in foreign companies, Section 8 Companies and Private Limited Companies incorporated in India.

\*[2] Committee membership of only Audit Committee and Shareholders' Grievance/ Stakeholders' Relationship Committee of public companies is reckoned.

\*\*[3] Ms. Anjali Seth became director w.e.f. 10<sup>th</sup> March, 2015. No meetings were held from the said date till 31<sup>st</sup> March, 2015.

None of the above Directors is a member in more than 10 Committees or acts as Chairman of more than 5 Committees across all Companies in which he is a Director.

Independent Directors are not serving as Independent directors in more than seven listed companies.

None of Whole Time Directors of the Company serve as Independent Director in more than three listed companies.

The Company has received declarations of independence as prescribed under Section 149(6) and (7) of the Companies Act, 2013 from the Independent Directors. All requisite declarations have been placed before the Board.

Disclosure of the number of equity shares of the Company held by Non Executive Directors as on 31<sup>st</sup> March 2015:

Sr. No.	Name of the Non Executive Director	No. of Shares held in the Company (as first holder)
1	Mr. Yasir J. Varawala*	40,000
2	Mr. Nipun C. Shah*	54,450
3	Mr. Jay M. Mehta	50,000
4	Mr. Viren A. Merchant *	50,000
5	Mr. Ravinder Kumar Jain	50,000

\* In addition to the above, Mr. Yasir Varawala holds 2,000 shares, Mr. Viren Merchant holds 18,500 shares and Mr. Nipun C Shah holds 28,903 shares as joint holders.

## B. Induction and training of Independent Directors:

At the time of appointing an Independent Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations by having one to one meeting with the Managing Director.

Periodical presentations are made by the Senior Management, Statutory and Internal Auditors at the Board/ Committee meetings on business and performance updates of the Company, business risks and controls, updates on relevant statutory changes encompassing important laws etc.

## C. Performance evaluation of Directors :

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance and the Directors individually. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, the process of selection of new Board members, Board culture, execution and performance of specific duties, obligations and governance and stakeholder management. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, compliance of the Company's code of conduct and applicable laws. The Directors expressed their satisfaction with the performance of the Board and the individual directors.

## D. Details of sitting fees, remuneration, etc. paid to directors for the year ended 31<sup>st</sup> March 2015:

Non-Executive Directors are eligible for only sitting fees not exceeding the limits prescribed under the Companies Act, 2013. The Independent Directors were paid sitting fees @ ₹ 30,000/- for attending every meeting of the Board and Audit Committee and ₹ 15,000/- for attending meetings of other Board Committees.

Name of non Executive Director	Sitting fees paid for attending meetings of the Board and/or Audit Committee and/or other Committees
Mr. Nipun C. Shah	₹ 2,35,000/-
Mr. Yasir J. Varawala	₹ 1,90,000/-
Mr. Jay M. Mehta	₹ 90,000/-
Mr. Viren A. Merchant	₹ 2,35,000/-
Mr. Ravinder K. Jain	₹ 90,000/-

The details of remuneration paid to the Whole Time Directors during the financial year ended 31<sup>st</sup> March 2015 are as under:

Sr. No.	Director	Inter-se relationship between Directors	Period of employment contract, Notice period.	Stock options	Salary (₹)	Perquisites (₹)	Total (₹)
1	Mr. Ashok H. Thakkar, Chairman	<ul style="list-style-type: none"> <li>Bimal R. Thakkar – Brother's son</li> <li>Bhavesh R. Thakkar - Brother's son</li> </ul>	1 <sup>st</sup> October, 2014 till 30 <sup>th</sup> September, 2015 Notice Period: 3 months	Nil	35,91,000	10,55,855	46,46,855
2	Mr. Bimal R. Thakkar, Managing Director & CEO	<ul style="list-style-type: none"> <li>Ashok H. Thakkar- Father's brother</li> <li>Bhavesh R. Thakkar - Brother</li> </ul>	1 <sup>st</sup> October, 2014 till 30 <sup>th</sup> September, 2015 Notice Period: 3 months	Nil	35,91,000	10,55,783	46,46,783
3	Mr. Bhavesh R. Thakkar, Executive Director & CFO	<ul style="list-style-type: none"> <li>Ashok H. Thakkar- Father's brother</li> <li>Bimal R. Thakkar- Brother</li> </ul>	1 <sup>st</sup> October, 2014 till 30 <sup>th</sup> September, 2015 Notice Period: 3 months	Nil	35,91,000	10,55,975	46,46,975

### NOTES:

- (i) All appointments of Directors are non-contractual except those of Mr. Ashok H. Thakkar, Chairman, Mr. Bimal R. Thakkar, Managing Director and Mr. Bhavesh R. Thakkar, Executive Director. Appointment of Mr. Ashok H. Thakkar, Mr. Bimal R. Thakkar and Mr. Bhavesh R. Thakkar is for one year with effect from 1<sup>st</sup> October 2014. The appointment of the above managerial personnel is conditional and subject to termination by three calendar months' notice in writing on either side but no severance fees of any other kind is payable.

- (ii) Presently, the Company does not have any scheme for grant of Stock Options to its Directors, Managing Director or other employees.
- (iii) None of the employees except Mr. Mishal A. Thakkar, Senior Manager (Operations) is related to any of the Directors of the Company.

**E. Number of Board meetings held:**

The meetings of the Board of Directors are scheduled well in advance. The Board Members are presented in advance with the detailed agenda in respect of all Board meetings. During the year under review, 4 meetings of the Board of Directors were held on the following dates:

28<sup>th</sup> May, 2014, 11<sup>th</sup> August, 2014, 12<sup>th</sup> November, 2014 and 14<sup>th</sup> February, 2015.

The Companies Act, 2013 read with the relevant rules made thereunder, now facilitates the participation of a Director in Board/Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings/Items which are not permitted to be transacted through video conferencing.

**F. Independent Directors' Meeting:**

The meeting of the Independent directors of the Company was held on 2<sup>nd</sup> March, 2015. The attendees reviewed the performance of the individual directors including the Chairman of the Company on the basis of the assessment forms submitted by the Board members for each director being assessed. The performance of the Board as a whole was also reviewed at the meeting on the basis of the self assessment forms submitted by the Board members.

- G.** The Board periodically reviews compliance reports of all laws applicable to the company, prepared by the company as well as steps taken by the company to rectify instances of non-compliances.

**III COMMITTEES OF DIRECTORS**

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship/Shareholder's Grievance Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee.

The terms of reference of these Committees are determined by the Board and their relevance is reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

❖ **AUDIT COMMITTEE**

**A. Constitution & meetings**

The Audit Committee was constituted on 13<sup>th</sup> January, 2001. All the members of Audit Committee are Non-Executive and Independent Directors. All members of the Committee are financially literate and having the requisite financial management expertise. The Chairman of the Audit Committee is Mr. Nipun C. Shah. The other members of the Audit Committee are Mr. Yasir J. Varawala and Mr. Viren A. Merchant. The Company Secretary acts as the Secretary to the Committee.

During the year under review, four Audit Committee meetings were held on 27<sup>th</sup> May, 2014, 09<sup>th</sup> August, 2014, 11<sup>th</sup> November, 2014 and 13<sup>th</sup> February, 2015.

The attendance of each Audit Committee member is given hereunder:

Sr. No.	Name of the Audit Committee Member	No. of meetings attended
1	Mr. Nipun C. Shah - Chairman	4
2	Mr. Yasir J. Varawala	2
3	Mr. Viren A. Merchant	4

The Executive Directors, General Manager -Finance, General Manager- Accounts, Internal Auditors and the Statutory Auditors are invited to the Audit Committee meetings.

The Chairman of the Audit Committee was present at the last Annual general Meeting of the Company held on 24<sup>th</sup> September, 2014.

## **B. The terms of reference of the Audit Committee**

### **Under the Companies Act, 2013:-**

1. the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
2. review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. examination of the financial statement and the auditors' report thereon;
4. approval or any subsequent modification of transactions of the company with related parties;
5. scrutiny of inter-corporate loans and investments;
6. valuation of undertakings or assets of the company, wherever it is necessary;
7. evaluation of internal financial controls and risk management systems;
8. monitoring the end use of funds raised through public offers and related matters.
9. Oversee the vigil mechanism

### **Under the revised Clause 49 of listing Agreement:-**

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
21. Oversee vigil mechanism;
22. Approve Related Party Transactions.

**C. Review of Information by the Audit Committee.**

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial conditions and results of operations;
2. Statement of Significant related party transactions (as defined by the Audit Committee), submitted by the management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal Audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

❖ **STAKEHOLDER'S RELATIONSHIP/SHAREHOLDERS GRIEVANCE COMMITTEE**

**A. Constitution & meetings**

The Shareholders' Grievance Committee was constituted on 2<sup>nd</sup> May 2001. The same was renamed as Stakeholder's Relationship/Shareholder's Grievance Committee in the Board meeting held on 28<sup>th</sup> May, 2014.

Mr. Yasir J. Varawala is the Chairman and Mr. Bimal R. Thakkar is the other member of the said Committee. The Company Secretary acts as the Compliance Officer for the Committee.

During the year, four meetings of the said Committee were held on 22<sup>nd</sup> May 2014, 09<sup>th</sup> August, 2014, 11<sup>th</sup> November, 2014 and 12<sup>th</sup> February, 2015.

The attendance of each member is given hereunder:

Sr. No.	Name of the Committee Member	No. of meetings attended
1	Mr. Yasir J Varawala – Chairman	4
3	Mr. Bimal R. Thakkar	4

## B. The terms of reference of the Shareholders' Grievance Committee

The said Committee is entrusted with the same powers and scope as prescribed under Clause 49 of the Listing Agreement viz. Corporate Governance.

The Committee specifically looks into redressing of investors' complaints with respect to non-receipt of shares, non-receipt of declared dividends and ensure expeditious redressal. The Registrar and Share Transfer agents provide quarterly confirmation to the Committee on compliance of the requirements in respect of dealing with the transfers, transmissions, complaints and other shareholder related matters. The Committee also monitors and reviews the performance and service standards of the Registrar and Share Transfer Agent and provides continuous guidance to improve the service levels for investors.

## C. Shareholders' complaints

19 complaints were received from the shareholders during the financial year ended 31<sup>st</sup> March 2015, which were attended by the Registrar and Transfer Agents promptly. Most of the complaints were relating to transfer of shares and non-receipt of dividend warrant and Annual Reports. The Complaints received were resolved to the satisfaction of the Shareholders.

Apart from the said complaints, the Company also received certain requests / general intimations regarding change of address, revalidation of dividend warrants, issuance of duplicate share certificates , transfer/ transmission of shares, dematerialization of shares etc. There are no complaints pending to be replied / attended to as at the end of the year under consideration.

## ❖ NOMINATION & REMUNERATION COMMITTEE

### A. Constitution & meetings

The Remuneration Committee was constituted on 8th May 2002 to recommend to the Board the remuneration package for managerial persons. The same has been renamed as Nomination & Remuneration Committee in the Board meeting held on 28<sup>th</sup> May, 2014.

The Remuneration Committee comprises of three Non-Executive Independent Directors.

During the year, one meeting of the said Committee was held on 09<sup>th</sup> August, 2014.

Sr. No.	Name of the Remuneration Committee Member	No. of meetings attended
1	Mr. Yasir J Varawala – Chairman	1
2	Mr. Nipun C. Shah	1
3	Mr. Viren A. Merchant	1

### B. The terms of reference of the Nomination & Remuneration Committee

The said Committee is entrusted with the same powers and scope as prescribed under Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement viz. Corporate Governance.

- 1) The Committee shall identify persons with suitable qualifications to be appointed as Directors, Senior management personnel and recommend to the Board their appointment;
- 2) The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

- 3) The Committee shall, while formulating the policy ensure that—
  - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

❖ **SHARE TRANSFER COMMITTEE**

The Share Transfer Committee comprises of Mr. Ashok H. Thakkar, Chairman, Mr. Bimal R. Thakkar, Managing Director and Mr. Bhavesh R. Thakkar, Executive Director.

The Registrar & Transfer Agents of the Company have been delegated authority to approve transfers in physical mode which is done every fortnight. The Committee meets almost every fortnight to review and ratify registration of transfer of shares received from shareholders in physical mode and to transact other share-related agenda.

❖ **CSR COMMITTEE**

**A. Constitution & Meetings**

The CSR Committee was constituted on 28<sup>th</sup> May, 2014.

The CSR Committee comprises of two Non-Executive Independent Directors and the Managing Director.

During the year, one meeting of the said Committee was held on 11<sup>th</sup> November, 2014.

Sr. No.	Name of the Remuneration Committee Member	No. of meetings attended
1	Mr. Viren A. Merchant – Chairman	1
2	Mr. Nipun C. Shah	1
3	Mr. Bimal R. Thakkar	1

**B. The terms of reference of the CSR Committee:**

- (1) To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- (2) To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

**IV. POLICIES**

**NOMINATION & REMUNERATION POLICY:**

1) **Objective and purpose of the Policy:**

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company’s size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry.
- To carry out evaluation of the performance of Directors
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.



The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

Definitions:

- Board means Board of Directors of the Company.
- Directors mean Directors of the Company.
- Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- Company or ADF means ADF Foods Limited.
- Independent Director means a director referred to in Section 149(6) of the Companies Act, 2013.
- Key Managerial Personnel (KMP) means-
  - (i) Executive Chairman and / or Managing Director;
  - (ii) Whole-time Director;
  - (iii) Chief Financial Officer;
  - (iv) Company Secretary;
  - (v) Such other officer as may be prescribed under the applicable statutory provisions / regulations.
- Senior Management personnel means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

## **Applicability**

The Policy is applicable to:

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

## **General**

This Policy is divided in three parts:

**Part – A** covers the matters to be dealt with and recommended by the Committee to the Board,

**Part – B** covers the appointment and nomination and

**Part – C** covers remuneration and perquisites etc.

## **PART – A**

### **Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee**

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

## **PART – B**

### **Policy for appointment and removal of Director, KMP and Senior Management**

- Appointment criteria and qualifications:
  1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
  2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
  3. The Company shall not appoint or continue the employment of any person as Whole time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

#### **Term / Tenure:**

##### **1. Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

##### **2. Independent Director:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1<sup>st</sup> October, 2014 as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.

#### **Evaluation:**

The Committee shall carry out evaluation of performance of every Director on annual basis.

#### **Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

#### **Retirement:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **PART – C**

### **Policy relating to the remuneration for the Whole-Time Director, KMP and Senior Management personnel**

General:

1. The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Companies Act, 2013, with the rules made thereunder and the approval of the Board of Directors.
3. Increments to the existing remuneration / compensation structure of the Directors may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director. Increments will be effective as per the terms of the employment agreements.
4. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
  - Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:
    1. Fixed pay:

The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to PF, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
    2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.
    3. Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.
  - Remuneration to Non- Executive / Independent Director:
    1. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
    2. Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding such % of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013 as the board may decide.
    3. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

## **WHISTLE BLOWER POLICY**

### **Applicability**

ADF Foods Ltd. believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. Any actual or potential violation of these Principles would be a matter of serious concern for the organisation. Employees have a role and responsibility in pointing out such violations. This policy is formulated to provide a secure environment and to encourage employees of the organisation to report unethical, unlawful or improper practices, acts or activities in the organization and to prohibit managerial personnel from taking any adverse personnel action against those employees who report such practices in good faith. This policy applies to all permanent employees of the organisation.

### **Policy**

Every employee is expected to promptly report to the management any actual or possible violation of the Principles or any other unlawful or unethical or improper practice or act, or activity. The unlawful or unethical or improper practice or act or activity (hereinafter referred to as an “alleged wrongful conduct”) may include, but is not limited to, any of the following:

- A violation of any law
- Misuse or misappropriation of the Organization’s assets
- Gross waste of or misuse or misappropriation of the Organization’s funds
- Incorrect financial reporting or misrepresentation of facts which are not in line with applicable company policy
- A substantial and specific danger to health and safety
- Serious improper conduct (including any kind of mental or sexual harassment) No manager, director, department head, or any other employee with authority to make or materially influence significant personnel decisions shall take or recommend an adverse personnel action against an employee in knowing retaliation for a disclosure of information, made in good faith, about an alleged wrongful conduct.

### **Definitions**

#### **1. “This Policy” or “Policies”**

“This Policy” or “Policies” refers to the “Whistle-Blower Policy.”

#### **2. Whistle-Blower (WB)**

WB means an Employee making a Disclosure under this Policy.

#### **3. Adverse Personnel Action**

An employment-related act or decision (relating to, but not limited to, compensation, promotion, job location, job profile, leave or other privileges) or a failure to take appropriate action by a manager, which may affect the employee negatively.

#### **4. Designated Committee**

WB Committee shall comprise of:

- 1) The Managing Director- Mr. Bimal R. Thakkar;
- 2) Head of Accounts- Mr. Dilip Golwala, and
- 3) Head of HR- Ms. Shalaka Ovalekar

The mechanism shall be reviewed by the Audit Committee of the Company (in accordance with the Listing Agreement)

#### **5. Good Faith**

An employee shall be deemed to be communicating in good faith if there is a reasonable basis for communication of the alleged wrongful conduct. Good faith shall be deemed lacking when the employee does not have personal knowledge

of or a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the alleged wrongful conduct is malicious, false or frivolous.

## Roles, Rights and Responsibilities of Whistle-Blowers

- Whistle-Blowers provide initial information based on a reasonable belief that an alleged wrongful conduct has occurred. The whistleblower is not expected to prove the truth of an allegation, but he needs to demonstrate to the Committee that there are sufficient grounds for concern. Certain safeguards have been provided which will prevent harassment or victimization of the Whistle Blower and could constitute sufficient grounds for dismissal of the concerned employee. However, the intentional filing of a false report, whether orally or in writing is itself considered an improper activity, which the Designated Committee has the right to act upon.
- Whistle-Blowers shall refrain from obtaining evidence for which they do not have a right of access. Such improper access may itself be considered an improper activity.
- Whistle-Blowers have a responsibility to be candid with the members of the Designated Committee or others to whom they make a report of alleged improper activities and shall set forth all known information regarding any reported allegations.
- Anonymous Whistle-Blowers must provide sufficient corroborating evidence to justify the commencement of an investigation. An investigation of unspecified wrongdoing or broad allegations would not be undertaken without verifiable evidence. Because investigators are unable to interview anonymous Whistle-Blowers, it may be more difficult to evaluate the credibility of the allegations and, therefore, less likely to cause an investigation to be initiated.
- Whistle-Blowers are “reporting parties,” not investigators. They are not to act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the investigating authority.
- The identity of the Whistle-Blower will not be disclosed except where required under the law or for the purpose of the investigation. Should, however, the Whistle-Blower self-discloses his or her identity, there will no longer be an obligation not to disclose the Whistle-Blower’s identity.
- This policy may not be used as a defense by an employee against whom an adverse personnel action has been taken for legitimate reasons or cause under Company rules and policies. It shall not be a violation of this policy to take adverse personnel action against an employee, whose conduct or performance warrants that action, separate and apart from that employee making a disclosure.

## Disqualification

- While it will be ensured that genuine Whistle-Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a whistle-blower knowing it to be false or bogus or with a mala fide intention.
- Whistle-Blowers, who make any Disclosures, which have been subsequently found to be mala fide or malicious or whistle-blowers who makes three or more Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, will be disqualified from reporting further Disclosures under this Policy. This itself will be considered as an improper activity which the Designated Committee members have the right to act upon.

## Procedures

### A. For Making a Disclosure

- Any employee who observes or has knowledge of an alleged wrongful conduct shall make a disclosure to any of the members of the Company’s WB Committee as soon as possible but not later than 60 consecutive calendar days after becoming aware of the same. The disclosure may be made in writing (by e-mail or on paper) or orally (a personal meeting or over the telephone). Complainants must put their names to allegations as follow-up questions and investigation may not be possible unless the source of the information is identified. **Concerns expressed anonymously WILL NOT BE usually investigated BUT subject to the seriousness of the issue raised, the WB Committee can initiate an investigation independently.**

- The Committee to which the disclosure has been made shall appropriately and expeditiously investigate all whistle-blower reports received. Every effort will be made to protect the complainant's identity, subject to legal constraints. Malicious allegations by employees may result in disciplinary action.
- In this regard, the Committee, if the circumstances so suggest, may appoint a senior officer or a committee of managerial personnel to investigate into the matter.
- The Committee shall have the right to outline a detailed procedure for an investigation.

#### **B. For Filing a Complaint by Whistle-Blower**

- No later than 30 days after a current or former employee is notified or becomes aware of an adverse personnel action, he or she may protest the action by filing a written Whistle-Blower complaint with any member of the Delegation WB Committee. The Committee on receipt of a Whistleblower complaint shall appoint a senior officer or a committee of managerial personnel to review the complaint.
- Within 45 days of the complaint, the Senior Officer or committee will submit a report to the Delegation or Company's WB Committee. After considering the report, the Committee shall determine the future course of action and may order remedial action.

#### **Notification**

The existence and contents of this policy shall be communicated to the employees. The new employees shall be informed about the policy by the HR department.

This policy, as amended from time to time, shall be made available on the website of the Company.

#### **Amendment**

The Company/ Audit Committee reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever.

#### **❖ FAMILIARISATION PROGRAM:**

The Independent directors of the Company are eminent personalities having wide experience in the field of business, finance, industry and law. Their presence on the Board has been advantageous and fruitful in taking business decisions. Independent Directors are appointed as per the Governance guidelines of the Company, with management expertise and wide range of experience. The Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations by having one-to-one meeting with the Managing Director. The new Board members are also requested to access the necessary documents / brochures, Annual Reports and internal policies available at our website [www.adf-foods.com](http://www.adf-foods.com) to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made by Senior Management, Statutory and Internal Auditors at the Board/Committee meetings on business and performance updates of the Company, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent directors.

FAMILIARISATION PROGRAM is stated under the weblink below:

Weblink: <http://www.adf-foods.com/pdfs/ADF%20Familiarisation%20program.pdf>

#### **❖ MATERIAL SUBSIDIARY POLICY:**

Preamble:

Securities Exchange Board of India (SEBI) through the Listing Agreement (including any statutory enactments / amendments thereof) requires all listed companies to formulate a policy for determining material subsidiaries effective from 1<sup>st</sup> October 2014.

The Board of Directors (the "Board") of ADF Foods Ltd. (the "Company" or "ADF"), has, therefore, adopted the following Policy and procedures with regard to determination of Material Subsidiaries, as defined in this Policy.

## 1. Objective:

- 1.1 This Policy is framed, in accordance with the requirement of revised Clause 49 of the Listing Agreement (including any statutory enactments/amendments thereof) to be effective from 1<sup>st</sup> October 2014 intended to ensure governance of material subsidiary companies.
- 1.2 The Company is required to disclose the policy in its Annual Report as well as to the stock exchanges.

## 2. Definitions:

Consolidated Income or Networth means the total income or networth of the Company and its subsidiaries.

Material non-listed Indian subsidiary means a material subsidiary which is incorporated in India and is not listed on the Indian Stock Exchanges.

Material subsidiary includes a subsidiary incorporated outside India.

Significant transactions and arrangements shall mean any individual transaction or Arrangement that exceeds or is likely to exceed 10% of the total revenue or total expenses or total assets or total liabilities, as the case may be, of the material unlisted subsidiary for the immediately preceding accounting year. Words and expressions used in this Policy shall have the same meanings respectively assigned to them in the following acts / listing agreement / regulations / rules.

1. The Companies Act, 2013 or the rules framed thereon;
2. Listing Agreement with Stock Exchanges;
3. Securities Contracts (Regulation) Act, 1956;
4. SEBI Act, 1992;
5. SEBI (Issue of Capital and Disclosure Requirements) Regulations;
6. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
7. SEBI (Prohibition of Insider Trading) Regulations, 1992.

## 3. Criteria for determining the Material subsidiaries:

- 3.1 A subsidiary shall be a Material Subsidiary for the financial year, if any of the following conditions are satisfied:
  - a. Investment of the Company in the subsidiary exceeds 20% of its consolidated net worth; or
  - b. the subsidiary has generated 20% of the consolidated income of the Company during the financial year.

Networth or Income, as the case may be, shall be as per the audited balance sheet of the previous financial year.

- 3.2 The Audit Committee to annually review the list of subsidiaries together with the details of the materiality defined herein, before 30<sup>th</sup> September of every year.

## 4. Governance of Material subsidiaries:

- 4.1. At least one Independent Director of the Company shall be a director on the Board of the material non-listed Indian subsidiary company (subsidiary company).
- 4.2. The Audit Committee of Board of the Company shall review the financial Statements, in particular, the investments made by the subsidiary company on a quarterly basis.
- 4.3. The minutes of the Board Meetings of the subsidiary company be placed before the Board of the Company at regular intervals.
- 4.4. Board of Directors of the Company, review all the significant transactions and arrangements entered into by the subsidiary company, on a quarterly basis.

4.5. On the recommendation of the Nomination and Remuneration Committee of the Company, the Board may appoint such number of Independent Directors in the subsidiary company.

4.6. The Company, without the prior approval of the members by Special Resolution, shall not:

- a. dispose the shares held in material subsidiaries which would reduce the Company's shareholding (either on its own or together with other Subsidiaries) to less than 50%; or
- b. ceases the exercise of control over the material subsidiary; or
- c. sell, dispose or lease of the assets amounting to more than 20% of the assets of the material subsidiary

4.7. If conflict between two regulations viz., the Act 2013 and SEBI regulations are irreconcilably inconsistent, the stricter one shall prevail.

5. Amendments:

This Policy may be amended by the board at any time and is subject to the (i) to the Companies Act, 2013 (the Act 2013) and (ii) further guidelines and enactments by the SEBI, including Listing Agreement.

6. Disclosures

The Policy for determining material subsidiaries is to be disclosed to the Stock Exchanges and in the Annual Report of the Company, as per the provisions of laws in force. The policy shall also be uploaded on the website of the Company at [www.adf-foods.com](http://www.adf-foods.com).

Material Subsidiary Policy is stated under the weblink below:

Weblink: <http://www.adf-foods.com/pdfs/ADF%20Material%20Subsidiary%20Policy.pdf>

❖ **RELATED PARTY TRANSACTION POLICY:**

The Company has framed Related Party Transaction Policy as per requirement of Clause 49 of the Listing Agreement entered by the Company with the Stock Exchanges. The same is intended to ensure the proper approval and reporting of transactions between the Company and its Related Parties. Such transactions are appropriate only if they are in the best interest of the Company and its shareholders. The Company is required to disclose each year in the Financial Statements certain transactions between the Company and Related Parties. All Related Party Transactions must be reported to the Audit Committee and referred for approval by the Committee in accordance with this Policy.

Related Party Transactions Policy is stated under the weblink below:

Weblink: <http://www.adf-foods.com/pdfs/Related%20Party%20Transactions%20Policy.pdf>

**V. GENERAL BODY MEETINGS**

**A. Location, Time and Date when last three Annual General Meetings of the Company were held are given below:**

Financial Year	Day & Date	Time	Location of the Meeting
2011-12	Friday, 8 <sup>th</sup> August, 2012	2.00 p.m.	Sheth Khushaldas Gokaldas Municipal Town Hall, Station Road, Nadiad:387001, Gujarat
2012-13	Wednesday, 31 <sup>st</sup> July, 2013	2.00 p.m.	Ipcowala Banquet Hall, Near Amba Ashram Mandir, College Road, Nadiad 387001, Gujarat
2013-14	Wednesday, 24 <sup>th</sup> September, 2014	1.00 p.m.	Ipcowala Banquet Hall, Near Amba Ashram Mandir, College Road, Nadiad 387001, Gujarat



**B. SPECIAL RESOLUTIONS WHETHER PASSED BY POSTAL BALLOT / AT THE ANNUAL GENERAL MEETINGS**

Special resolutions passed in the previous Three Annual General Meetings:

Sr. No.	Annual General Meeting held on	Subject matter of the Special Resolution in brief
1	Wednesday, 08/08/2012	To re-appoint Mr. Mishal A. Thakkar in place of profit for a period of three years w.e.f. 17 <sup>th</sup> June, 2012 pursuant to Section 314(1B) of the Companies Act, 1956.
2	Wednesday, 31/07/2013	None
3	Wednesday, 24 <sup>th</sup> September, 2014	<ul style="list-style-type: none"> <li>• Approval of resolution under Section 180 (1)(c) of the Companies Act, 2013.</li> <li>• Approval of resolution under section 180 (1) (a) of the Companies Act, 2013.</li> <li>• Approval of Related Party Transactions u/s. 188 (1) (a) and (d) of the Companies Act, 2013.</li> <li>• Appointment of Mr. Mishal A. Thakkar as person in place of profit u/s. 188 (1) (f) of the Companies Act, 2013.</li> </ul>

**VI. MEANS OF COMMUNICATION**

The quarterly, half yearly and annual results are generally published in the “The Economic Times” (Ahmedabad edition in English and Gujarati) circulating in Nadiad and “The Economic Times” (Mumbai edition in Gujarati).

The financial results and other information are displayed on the Company’s website viz. [www.adf-foods.com](http://www.adf-foods.com) as well as on [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

The Company does not have the system of intimating shareholders individually of its quarterly/half-yearly financial results. However, investors/shareholders desirous of getting the quarterly/half yearly financial results are given copies thereof after consideration of results by the Board and publication in the newspapers.

The Management Discussion and Analysis report is given separately in the Annual Report.

**VII. GENERAL SHAREHOLDERS’ INFORMATION**

- A.** Ms. Anjali Seth has been appointed as an additional director and, being eligible, she has given the consent to continue as director of the Company. Her appointment is being regularized in the ensuing Annual General Meeting of the Company. Her brief profile is published elsewhere in the Annual Report.

**B. ANNUAL GENERAL MEETING**

Date & Time : 30<sup>th</sup> September, 2015 at 1.00 p.m.

Venue : Ipcowala Banquet Hall, Near Amba Ashram Mandir, College Road, Nadiad 387001, Gujarat

**C. FINANCIAL CALENDAR 2015-16**

Schedule of Board Meetings (tentative)

First Quarter ending 30<sup>th</sup> June 2015 : on or before 14<sup>th</sup> August 2015

Half Year ending 30<sup>th</sup> September 2015 : on or before 14<sup>th</sup> November 2015

Third Quarter ending 31<sup>st</sup> December 2015 : on or before 13<sup>th</sup> February 2016

Year ending 31<sup>st</sup> March 2016 : on or before 30<sup>th</sup> May 2016

**D. DATES OF BOOK CLOSURE**

The Share Transfer Register will remain closed from Wednesday, 23<sup>rd</sup> September, 2015 to Wednesday, 30<sup>th</sup> September, 2015 [both days inclusive].

## E. DIVIDEND

**Dividend Payment Date:** on or before 27<sup>th</sup> October, 2015

## F. LISTING ON STOCK EXCHANGES

The Equity Shares of the Company are presently listed at the BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 and National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra –East, Mumbai- 400 051.

Listing fee has been paid to the aforesaid Stock Exchanges upto date including fees for the year 2015-16.

## G. STOCK CODE/SYMBOL

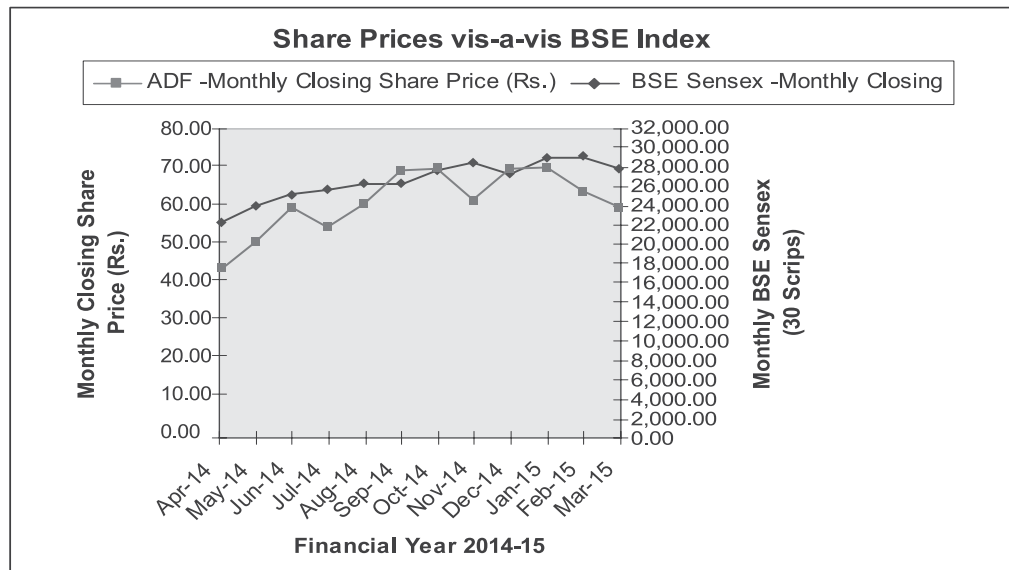
BSE Limited : 519183  
 National Stock Exchange of India Ltd : ADF FOODS  
 ISIN : INE982B01019

## H. MARKET PRICE DATA

The monthly high, low and closing price quotations of the Company's shares traded on the BSE Limited during financial year 2014-2015 are as under:

Month	High (₹)	Low (₹)	Close (₹)	Volume of shares (Nos.)
April 2014	49.50	43.90	44.05	73,740
May 2014	59.55	43.25	51.30	1,27,030
June 2014	67.65	49.00	60.50	39,61,397
July 2014	71.95	55.00	55.40	13,31,412
August 2014	62.00	53.95	61.15	4,77,115
September 2014	85.90	62.80	69.75	32,83,928
October 2014	71.80	61.50	70.10	4,75,582
November 2014	74.95	57.95	61.80	16,83,718
December 2014	72.90	59.70	70.00	11,10,966
January 2015	77.00	66.65	70.40	5,96,302
February 2015	73.50	62.75	64.40	7,38,189
March 2015	67.00	52.50	58.30	3,26,002

## I. PERFORMANCE IN COMPARISON TO BROAD BASED INDICES



## J. REGISTRAR & SHARE TRANSFER AGENTS

The Company's Registrar and Share Transfer Agents are LINK INTIME (INDIA) PRIVATE LIMITED. Their address and contact numbers remain the same as reproduced below:

C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai: 400 078, India

Tel.: 022-2596 3838 Fax.: 022-2594 6969

E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) Website: [www.linkintime.co.in](http://www.linkintime.co.in)

## K. SHARE TRANSFER SYSTEM

Shares held in the dematerialised form are electronically traded in the Depositories and the Registrar and Share Transfer Agents of the Company, viz. Link Intime (India) Pvt. Ltd., periodically receive the beneficial holdings data from the Depositories so as to enable them to update their records and to send all corporate communications. Physical shares received for dematerialization are processed and completed within a period of 15 days from the date of receipt provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the shareholders within the aforesaid period.

## L. DISTRIBUTION PATTERN OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2015

Shareholding of Nominal Value ₹	No. of shareholders	% of Total	Face Value (₹)	% of Total
1 to 5000	17483	91.16	2,38,46,420	10.84
5001 to 10000	831	4.33	70,78,160	3.22
10001 to 20000	379	1.98	59,86,610	2.72
20001 to 30000	141	0.74	37,34,770	1.70
30001 to 40000	70	0.36	25,31,080	1.15
40001 to 50000	84	0.44	39,99,700	1.82
50001 to 100000	89	0.46	64,29,440	2.92
100001 & above	102	0.53	16,63,93,820	75.63
<b>Total</b>	<b>19179</b>	<b>100.00</b>	<b>220,000,000</b>	<b>100.00</b>

## M. DEMATERIALISATION OF EQUITY SHARES

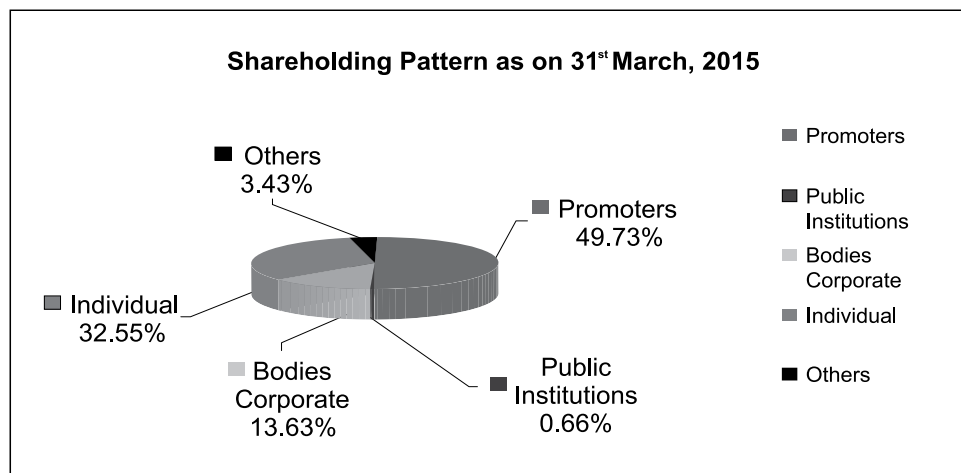
The shares of the Company are compulsorily traded in dematerialised form and are available for trading under both the Depository Systems, viz. NSDL (National Securities Depository Limited) and CDSL (Central Depository Services (India) Limited). Nearly 93.93 % of total equity shares of the Company are held in dematerialised form with NSDL & CDSL.

## N. SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2015

Category	No. of Shares	% Holding
<b>A. Holding of the Promoter Group</b>		
(a) Individual / HUF	1,07,03,183	48.65
(b) Bodies Corporate	2,38,399	1.08
<b>Total (A)</b>	<b>1,09,41,582</b>	<b>49.73</b>
<b>B. Non-Promoters Holding</b>		
<b>I. Institutional Investors</b>		
(a) Mutual Funds / UTI	18,300	0.08
(b) Financial Institutions / Banks	25,884	0.12
(c) Foreign Institutional Investors	1,00,740	0.46
<b>Sub Total (B I)</b>	<b>1,44,924</b>	<b>0.66</b>

<b>2. Others</b>		
(a) Bodies Corporate	29,97,859	13.63
(b) Individual	75,05,478	34.12
(c) Clearing Member	2,34,128	1.07
(d) Non Resident Indian (Repat/ Non Repat)	1,75,529	0.79
(e) Overseas Body Corporate/s	Nil	Nil
(f) Trust	500	0.00
<b>Sub Total ( B2)</b>	<b>1,09,13,494</b>	<b>49.61</b>
<b>Total B1 + B2 (B)</b>	<b>1,10,58,418</b>	<b>50.27</b>
<b>Grand Total (A)+(B)</b>	<b>2,20,00,000</b>	<b>100.00</b>

### SHAREHOLDING PATTERN



### O. OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS CONVERSION DATE AND LIKELY IMPACT ON EQUITY

During the year, the Company has not issued any GDRs/ADRs/ Warrants or any convertible instruments.

### P. PLANT LOCATIONS

- \* 77/84, GIDC Industrial Estate, Nadiad 387 001 Gujarat
- \* 83/86, GIDC Industrial Estate, Nadiad 387 001 Gujarat
- \* 94, GIDC Industrial Estate, Nadiad 387 001 Gujarat
- \* C I-40/2, GIDC Industrial Estate, Nadiad 387 001 Gujarat
- \* Plot no.5, MIDC Industrial Estate, Malegaon, Sinnar, Nashik 422 103, Maharashtra

### Q. ADDRESS FOR INVESTOR CORRESPONDENCE

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address or any other query relating to shares, please write to M/s. Link Intime (India) Pvt. Limited, at the below mentioned address:

C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai: 400 078, India  
Tel.: 022-2596 3838 Fax.: 022-2594 6969

**For general correspondence, please write to:**

**ADF Foods Limited**

Registered office: 83/86, G.I.D.C. Industrial Estate, Nadiad 387 001, Gujarat.

Corporate office: The Company Secretary  
Sadhana House, Unit No. 2B, 2<sup>nd</sup> Floor, 570 P.B. Road, Worli, Mumbai- 400 018.

Email : [co\\_secretary@adf-foods.com](mailto:co_secretary@adf-foods.com)

Shareholders holding shares in the electronic form should address their correspondence (except those relating to dividend) to their respective Depository Participants.

## R. DISCLOSURES

- (i) Disclosure regarding materially significant related party transactions:
  - (a) No transaction of material nature has been entered into by the Company with the related parties that may have potential conflict with the interest of the Company.
  - (b) Transactions with related parties viz. Directors and their relatives, Key Managerial Personnel and subsidiaries are covered by contracts which govern the terms and conditions clearly.
  - (c) The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with related parties are disclosed in note no. 27(9) of the Financial Statements.

- (ii) Subsidiary Companies:

The Company has three subsidiaries namely ADF Foods UK Ltd, Power Brands (Foods) Pvt. Ltd. and ADF Foods (India) Ltd. and two step down subsidiaries viz. ADF Holdings (USA) Ltd. and ADF Foods (USA) Ltd.

Power Brands (Foods) Private Limited:

M/s Power Brands (Foods) Pvt. Ltd, 99.99% Subsidiary of the Company, has undergone Voluntary Liquidation vide Special resolution passed by the Members on 5<sup>th</sup> November, 2012.

Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary companies may write to the Company Secretary.

In terms of proviso to sub section (3) of Section 129 of the Act, the statement containing the salient features of the financial statement of the subsidiaries is set out in the prescribed form AOC-I, which forms part of the annual report.

- (iii) Disclosure of Accounting Treatment:

The financial statements of the Company have been prepared on accrual basis under the historical cost convention and on going concern basis in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014 and relevant provisions of the Companies Act, 2013 ("the Act")/The Companies Act, 1956, as applicable.

- (iv) Risk Management :

The Company has adopted Business Risk Management System (BRMS) for mitigating various risks associated and identified across all levels within the organization. BRMS would enable the management to review the business risks on periodical basis and to bring high risk areas to the immediate attention of the Board.

- (v) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other Statutory Authority on any matter related to capital market during last three years.
- (vi) The details of utilization of proceeds raised from the Preferential Issue of Warrants in July, 2011, March, 2012 and January, 2013 has been disclosed in the Financial Statements. The Company has not utilized the funds for purposes other than those stated in the notice convening the relevant General Meeting.

- (vii) Vigil Mechanism/Whistle Blower Policy

The Company has adopted a 'Whistle Blower Policy' in its meeting held on 11<sup>th</sup> August, 2014 with an objective to conduct its affairs in a fair and transparent manner and by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

With the adoption of this policy, the Company has put in place a mechanism wherein the Employees are free to report to the management any actual or possible violation of the Principles or any other unlawful or unethical or improper practice or act, or activity of the Company. Under the Whistle Blower Policy, the confidentiality of those reporting violation(s) is protected and they are not subject to any discriminatory practices. No person has been denied access to the Management & Audit Committee. The mechanism shall be reviewed by the Audit Committee of the Company in accordance with the Listing Agreement.

Whistle Blower Policy of the Company is displayed on the Company's website <http://www.adf-foods.com> under the web link <http://www.adf-foods.com/pdf/ADF%20WB%20Policy.pdf>

(viii) The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement as under:

Particulars	Clause of Listing Agreement	Compliance Status Yes/No/N.A.	Remarks
<b>I. Board of Directors</b>	49 II		
(A) Composition of Board	49 (IIA)	Yes	-
(B) Independent Directors	49(IIB)	Yes	-
(C) Non- executive Directors' Compensation & Disclosures	49 (IIC)	Yes	-
(D) Other Provisions as to Board and Committees	49 (IID)	Yes	-
(E) Code of Conduct	49 (IIE)	Yes	-
(F) Whistle Blower Policy	49 (IIF)	Yes	-
<b>II. Audit Committee</b>	49 (III)		
(A) Qualified & Independent Audit Committee	49 (IIIA)	Yes	-
(B) Meeting of Audit Committee	49 (IIIB)	Yes	-
(C) Powers of Audit Committee	49 (IIIC)	Yes	-
(D) Role of Audit Committee	49 (IIID)	Yes	-
(E) Review of Information by Audit Committee	49 (IIIE)	Yes	-
<b>III. Nomination and Remuneration Committee</b>	49 (IV)	Yes	-
<b>IV. Subsidiary Companies</b>	49 (V)	Yes	-
<b>V. Risk Management</b>	49 (VI)	Yes	49 (VI C)-Not applicable
<b>VI. Related Party Transactions</b>	49 (VII)	Yes	-
<b>VII. Disclosures</b>	49 (VIII)		
(A) Related Party Transactions	49 (VIII A)	Yes	-
(B) Disclosure of Accounting Treatment	49 (VIII B)	Yes	-
(C) Remuneration of Directors	49 (VIII C)	Yes	-
(D) Management	49 (VIII D)	Yes	-
(E) Shareholders	49 (VIII E)	Yes	-
(F) Proceeds from Public Issues, Rights Issues, Preferential Issues etc.	49 (VIII F)	Yes	-
<b>VIII. CEO/CFO Certification</b>	49 (IX)	Yes	-
<b>IX. Report on Corporate Governance</b>	49 (X)	Yes	-
<b>X. Compliance</b>	49 (XI)	Yes	-

(ix) Non-Mandatory Requirements under Clause 49 of Listing Agreement:

The status of compliance with non-mandatory recommendations of the Clause 49 of the Listing Agreement with Stock Exchanges is provided below:

1. Shareholders' Rights: As the quarterly and half yearly financial results are published in the news papers and are also posted on the Company's website, the same are not being sent to the shareholders.
2. Audit Qualifications: The Company's financial statement for the year 2014-2015 does not contain any audit qualification.
3. The company has appointed separate persons to the post of Chairman and Managing Director/CEO.
4. Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

## S. CODE OF CONDUCT

The Company has adopted the Code of Conduct and Ethics for Directors and Senior Management. As provided under Clause 49 of the Listing Agreement, relating to Corporate Governance, all the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code and a declaration signed by the Managing Director is given below:

*"It is hereby declared that the Company has obtained from all members of the Board and Senior Management Personnel, an affirmation that they have complied with the Code of Conduct for the Board Members and Senior Management Personnel for the financial year ended 31<sup>st</sup> March, 2015."*

*Bimal R. Thakkar  
Managing Director & CEO  
DIN: 00087404*

## T. CEO/CFO CERTIFICATION

A certificate duly signed by the Managing Director, Executive Director, General Manager – Accounts and General Manager- Finance that the Financial Statements reflect true and fair view of the affairs of the Company was placed before the Board.

**For ADF Foods Limited**

**Bimal R. Thakkar  
Managing Director & CEO  
DIN: 00087404**

## ANNEXURE

### REPORT ON CORPORATE GOVERNANCE

DETAILS OF OTHER DIRECTORSHIPS AND COMMITTEE MEMBERSHIPS OF ALL THE DIRECTORS AS ON 31<sup>ST</sup> MARCH 2015:

#### [1] MR. ASHOK H. THAKKAR

##### Other Directorships

- ADF Foods (India) Limited
- Mishal International (India) Private Limited
- Power Brands (Foods) Private Limited [Under Voluntary Liquidation]

##### Committee Memberships

- ADF Foods Limited- Share Transfer Committee

#### [2] MR. BIMAL R. THAKKAR

- Gujarat Sidhee Cement Limited
- Saurashtra Cement Limited
- ADF Foods (India) Limited
- ADF Foods U.K. Limited
- Power Brands (Foods) Private Limited [Under Voluntary Liquidation]
- ADF Holdings (USA) Limited
- ADF Foods (USA) Limited

##### Committee Memberships

- ADF Foods Limited
  - Share Transfer Committee
  - Shareholder's Grievance/Stakeholder's Relationship Committee
  - CSR Committee
- Gujarat Sidhee Cement Limited
  - Audit Committee
  - Share Allotment Committee

#### [3] NIPUN C. SHAH

##### Other Directorships

- ADF Foods (India) Limited
- Power Brands (Foods) Private Limited [Under Voluntary Liquidation]
- Jush Investment Private Limited
- Nagarwalla Estates Private Limited
- Noshill Estates Private Limited
- Crowe Horwath Advisory Services Private Limited
- Crowe Horwath Consultants Pvt. Limited

#### Committee Memberships

- ADF Foods Limited
  - Audit Committee
  - Nomination & Remuneration Committee
  - CSR Committee
- Power Brands (Foods) Private Limited. [Under Voluntary Liquidation]
  - Audit Committee

#### [4] YASIR VARAWALA

##### Other Directorships

- ADF Foods (India) Limited
- Abacus Corporation Private Limited
- High Plains Professional Advisory Services Private Limited
- Power Brands (Foods) Private Limited [Under Voluntary Liquidation]

##### Committee Memberships

- ADF Foods Limited
  - Audit Committee
  - Nomination & Remuneration Committee
  - Shareholder's Grievance/Stakeholder's Relationship Committee
- Power Brands (Foods) Private Limited. [Under Voluntary Liquidation]- Audit Committee

#### [5] MR. VIREN A. MERCHANT

##### Other Directorships

- Encore Natural Polymers Private Limited
- ZYG Pharma Private Limited
- Saidarshan Business Centres Private Limited
- Encore Healthcare Private Limited
- Encore Polyfrac Products Private Limited
- Encore Healthcare International Pvt. Limited

##### Committee Memberships

- ADF Foods Limited.
  - Audit Committee
  - Nomination & remuneration Committee
  - CSR Committee

#### [6] MR. JAY M. MEHTA

##### Other Directorships

- Saurashtra Cement Limited
- Gujarat Sidhee Cement Limited



- Pranay Holdings Limited
- Prachit Holdings Limited
- Ria Holdings Limited
- Agrima Consultants International Limited
- Reeti Investments Private Limited
- Mehta Private Limited
- Indiana Poli Hospitality Private Limited
- Galaxy Technologies Private Limited
- Omna Exports Private Limited
- Arclightz & Films Private Limited
- Good Karma Hospitality Private Limited
- Knight Riders Sports Private Limited
- Bhadra Textiles & Trading Private Limited
- Parsec Enterprises Private Limited
- Clarence Investments Limited

#### **Committee Memberships**

- Gujarat Sidhee Cement Limited
  - Stakeholder's Relationship Committee
  - Shareholders Grievance Committee
- Saurashtra Cement Limited
  - Shareholder's Grievance/ Stakeholder's Relationship Committee

#### **[7] MR. RAVINDER KUMAR JAIN**

##### **Other Directorships**

- Grover Zampa Vineyards Limited
- Delta Corp Limited.
- Nector Ramco Trading Private Limited
- Brovel Trading Private Limited

- Noble Newera Milestone Trading and Investments Private Limited
- Accra Investments Private Limited
- Orange City Properties Private Limited
- Nobel Feedback Computers Private Limited
- Spirit Marketing Private Limited
- Craft Microbreweries Private Limited

##### **Committee Memberships**

- Delta Corp Limited
- Audit Committee

#### **[8] MS. ANJALI SETH**

##### **Other Directorships**

- Caprihans (India) Limited
- Adlabs Entertainment Limited
- Walkwater Properties Private Limited
- JMC Projects (India) Limited
- Kalpataru Power Transmission Limited
- Kalpataru Limited

##### **Committee Memberships**

- Caprihans (India) Limited - Stakeholder's Grievance/ Stakeholder's Relationship Committee
- Adlabs Entertainment Limited- Audit Committee

#### **[9] MR. BHAVESH R. THAKKAR**

##### **Other Directorships**

- ADF Foods (India) Limited
- Power Brands (Foods) Private Limited [Under Voluntary Liquidation]

##### **Committee Memberships**

- ADF Foods Limited - Share Transfer Committee

*Note: Membership of Audit Committee, Shareholders' Grievance Committee and as referred to in Listing Agreement have only been reckoned in collating the Committee Membership above.*

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## **AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF ADF FOODS LIMITED**

We have examined the compliance of conditions of Corporate Governance by **ADF Foods Limited** ("the Company") for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreements of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For KALYANIWALLA & MISTRY**  
**CHARTERED ACCOUNTANTS**  
Firm Registration Number 104607W

**FARHAD M. BHESANIA**  
**PARTNER**  
Membership Number 127355

Date: 12<sup>th</sup> August, 2015  
Place: Mumbai

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ADF FOODS LIMITED

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **ADF FOODS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and cash flows for the year ended on that date.

#### Emphasis of Matter

We draw attention to the following matter in the Notes to the standalone financial statements:

Note 11 (b) to the standalone financial statements, consequent to Schedule II to the Companies Act, 2013 becoming applicable with effect from April 01, 2014, depreciation for the year ended March 31, 2015 has been provided on the basis of the useful lives as prescribed in Schedule II. This has resulted in the depreciation expenses for year ended March 31, 2015 being higher by ₹ 23.30 lacs. Depreciation of ₹ 91.73 lacs (net of Deferred Tax) on account of assets whose useful life is already exhausted as on April 01, 2014, has been adjusted to opening balance of retained earnings.

Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. The Company was required to spend an amount of ₹ 31.83 lacs being 2% of the average net profits of the three immediately preceding financial years on Corporate Social Responsibility as per the provisions of section 135 of the Companies Act, 2013. The Company has not spent any amount towards CSR expenses during the year.
3. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 27 (4)(a) to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For D. P. GHEVARIA & CO**  
**CHARTERED ACCOUNTANTS**  
 Firm Registration No. 103176W

**For KALYANIWALLA & MISTRY**  
**CHARTERED ACCOUNTANTS**  
 Firm Registration No. 104607W

**D. P. GHEVARIA**  
**PROPRIETOR**  
 Membership No. 032431

**FARHAD M. BHESANIA**  
**PARTNER**  
 Membership No. 127355

Place: Mumbai  
 Dated: May 28, 2015

Place: Mumbai  
 Dated: May 28, 2015

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph I under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date on the standalone financial statements of the Company for the year ended March 31, 2015:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) As explained to us, all fixed assets have not been physically verified by the management during the year but there is a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- 2) (a) The inventory, except stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies reported on such verification were not material and have been properly dealt with in the books of account. In respect of inventories lying with third parties, written confirmations have been obtained.  
(b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) On the basis of our examination of the inventory records, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification of inventory as compared to book records were not material in relation to the operations of the Company and have been properly dealt with in the books of account.
- 3) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of sub-clause (a) and (b) of paragraph 3(iii) of the Order are not applicable to the Company for the current year.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. The activities of the Company do not involve sale of services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.
- 5) The Company has not accepted any deposits from the public.
- 6) According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under section 148 (1) of the Act, for any of the activities of the Company.
- 7) (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no undisputed dues, payable in respect of above as at March 31, 2015 for a period of more than six months from the date on which they became payable.  
(b) According to the information and explanations given to us and on the basis of our examination of books of account and record, there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess outstanding on account of any dispute, other than the following:

Sr No	Name of the Statute	Amount (₹ in lac)	Period to which the amount relates	Forum where dispute is pending
1	Finance Act, 1994.	433.01	F.Y. 2006-2007 to F. Y. 2010-2011	CESTAT
2	Income Tax Act, 1962.	81.70	F.Y. 2011-12	Commissioner of Income-Tax (Appeals), Vadodara

- (c) According to the information and explanations given to us, the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.
- 8) The Company does not have accumulated losses at the end of the financial year and has not incurred any cash losses in the current and immediately preceding financial years.
- 9) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to banks. The Company does not have dues to financial institutions or debenture holders.

- 10) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and other financial institutions.
- 11) According to the information and explanations given to us and based on the documents and records examined by us, on an overall basis, the term loan has been applied for the purpose for which the loans were obtained.
- 12) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

**For D. P. GHEVARIA & CO**  
**CHARTERED ACCOUNTANTS**  
**Firm Registration No. 103176W**

**D. P. GHEVARIA**  
**PROPRIETOR**  
**Membership No. 032431**

Place: Mumbai  
Dated: May 28, 2015

**For KALYANIWALLA & MISTRY**  
**CHARTERED ACCOUNTANTS**  
**Firm Registration No. 104607W**

**FARHAD M. BHESANIA**  
**PARTNER**  
**Membership No. 127355**

Place: Mumbai  
Dated: May 28, 2015

**BALANCE SHEET AS AT 31ST MARCH 2015**

Particulars	Note No.	As at 31-Mar-15 ₹ in lacs	As at 31-Mar-14 ₹ in lacs
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	1	2,237.83	2,237.83
(b) Reserves and surplus	2	15,342.10	14,211.26
<b>Sub total-Shareholders' Funds</b>		<b>17,579.93</b>	<b>16,449.09</b>
<b>Non- current liabilities</b>			
(a) Long-term borrowings	3	47.25	3.07
(b) Deferred tax liabilities (net)	4	738.22	708.38
(c) Other long term liabilities	5	-	25.00
(d) Long term provisions	6	121.39	104.76
<b>Sub total-Non Current Liabilities</b>		<b>906.86</b>	<b>841.21</b>
<b>Current liabilities</b>			
(a) Short term borrowings	7	685.67	1,507.09
(b) Trade payables	8	738.97	879.10
(c) Other current liabilities	9	504.94	348.52
(d) Short-term provisions	10	421.32	460.34
<b>Sub total-Current Liabilities</b>		<b>2,350.90</b>	<b>3,195.05</b>
<b>TOTAL-EQUITY AND LIABILITIES</b>		<b>20,837.69</b>	<b>20,485.35</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets	11		
(i) Tangible assets		5,068.53	3,831.09
(ii) Intangible assets		2,511.01	2,852.57
(iii) Capital work in progress		169.12	850.50
<b>Sub total-Fixed Assets</b>		<b>7,748.66</b>	<b>7,534.16</b>
(b) Non current investments	12	1,831.29	1,696.09
(c) Long term loans and advances	13	213.52	210.84
(d) Other non current assets	14	-	6.24
<b>Sub total-Non Current Assets</b>		<b>9,793.47</b>	<b>9,447.33</b>
<b>Current assets</b>			
(a) Current investments	15	800.00	2,100.00
(b) Inventories	16	2,359.91	2,229.35
(c) Trade receivables	17	3,082.52	2,817.52
(d) Cash and bank balances	18	994.93	1,206.64
(e) Short term loans and advances	19	3,806.86	2,684.51
<b>Sub total-Current Assets</b>		<b>11,044.22</b>	<b>11,038.02</b>
<b>TOTAL ASSETS</b>		<b>20,837.69</b>	<b>20,485.35</b>
<b>Significant accounting policies</b>	27 (2)		

The accompanying notes 1 to 27 form an integral part of Signatures to the Balance Sheet and Notes to the financial statements the financial statements

As per our report of even date

For **D.P. Ghevaria & Co.**  
Chartered Accountants  
Firm's Registration Number 103176W

**D.P. Ghevaria**  
Proprietor, Membership Number 032431

For **Kalyaniwalla & Mistry**  
Chartered Accountants  
Firm Registration Number 104607W

**Farhad M. Bhesania**  
Partner, Membership Number 127355

Place: Mumbai  
Date: 28th May 2015

For and on behalf of the Board

**Ashok H. Thakkar**  
Chairman,  
DIN: 00087465

**Bhavesh R. Thakkar**  
Executive Director & C.F.O.  
DIN: 00939805

Place: Mumbai  
Date: 28th May 2015

**Bimal R. Thakkar**  
Managing Director & C.E.O.,  
DIN: 00087404

**Shalaka Ovalekar**  
Company Secretary

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

Particulars	Note No.	31-Mar-15 ₹ in lacs	31-Mar-14 ₹ in lacs
Revenue from operations (gross)	20	15,020.27	14,304.41
Less: Excise duty		75.10	123.01
Revenue from operations (net)		14,945.17	14,181.40
Other income	21	689.48	399.23
<b>Total Revenue</b>		<b>15,634.65</b>	<b>14,580.63</b>
<b>Expenses</b>			
(a) Cost of materials consumed	22 (a)	6,922.44	5,900.87
(b) Purchase of traded goods	22 (b)	680.63	483.31
(c) Increase in inventories of finished goods, work-in-progress and traded goods	22 (c)	(171.99)	(86.34)
(d) Employee benefits expenses	23	1,194.58	1,118.33
(e) Finance cost	24	95.18	113.65
(f) Depreciation and amortisation expenses	25	732.37	732.72
(g) Other expenses	26	4,280.07	4,518.57
<b>Total expenses</b>		<b>13,733.28</b>	<b>12,781.11</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>1,901.37</b>	<b>1,799.52</b>
Exceptional items (Refer Note 27 (19))		174.63	-
<b>Profit before tax</b>		<b>2,076.00</b>	<b>1,799.52</b>
<b>Tax expenses</b>			
(a) Current tax		568.95	468.32
(b) Deferred tax	4	77.07	86.32
(c) Prior Year's Tax Adjustment		(30.28)	-
		<b>615.74</b>	<b>554.64</b>
<b>Profit for the year</b>		<b>1,460.26</b>	<b>1,244.88</b>
<b>Earnings per share (of ₹ 10/- each):</b>	<b>27 (12)</b>		
(a) Basic & Diluted		6.64	5.66

The accompanying notes 1 to 27 form an integral part of the financial statements. Signatures to the Profit and Loss and Notes to the financial statements

**As per our report of even date**

For **D.P. Ghevaria & Co.**  
Chartered Accountants  
Firm's Registration Number 103176W

**D.P. Ghevaria**  
Proprietor, Membership Number 032431

For **Kalyaniwalla & Mistry**  
Chartered Accountants  
Firm Registration Number 104607W

**Farhad M. Bhesania**  
Partner, Membership Number 127355

Place: Mumbai  
Date: 28th May 2015

**For and on behalf of the Board**

**Ashok H. Thakkar**  
Chairman,  
DIN: 00087465

**Bhavesh R. Thakkar**  
Executive Director & C.F.O.  
DIN: 00939805

Place: Mumbai  
Date: 28th May 2015

**Bimal R. Thakkar**  
Managing Director & C.E.O.,  
DIN: 00087404

**Shalaka Ovalekar**  
Company Secretary



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Amounts in the financial statements are presented in ₹ lacs, except for per share data and otherwise stated.

### Note 1

Share Capital	31-Mar-15 ₹ in lacs	31-Mar-14 ₹ in lacs
<b>Authorized shares</b>		
2,50,00,000 (Previous Year 2,50,00,000) Equity shares of ₹ 10/- each	<u>2,500.00</u>	<u>2,500.00</u>
<b>Issued and subscribed</b>		
2,20,00,000 (Previous Year 2,20,00,000) Equity shares of ₹ 10/- each	<u>2,200.00</u>	<u>2,200.00</u>
<b>Paid-up</b>		
2,20,00,000 (Previous Year 2,20,00,000) Equity shares of ₹ 10/- each	2,200.00	2,200.00
<b>Shares forfeited</b>		
7,56,600 (Previous Year 7,56,600) Equity Shares of ₹ 10/- each; amount originally paid up there on @ ₹5 per share.	37.83	37.83
<b>Total</b>	<u><u>2,237.83</u></u>	<u><u>2,237.83</u></u>

#### a. Reconciliation of number of shares:

	31-Mar-15		31-Mar-14	
	No. of shares	₹ in lacs	No. of shares	₹ in lacs
Number of shares outstanding at the beginning of the year	22,000,000	2,200	22,000,000	2,200
<b>Number of shares outstanding at the end of the year</b>	<u><u>22,000,000</u></u>	<u><u>2,200</u></u>	<u><u>22,000,000</u></u>	<u><u>2,200</u></u>

#### Of the above

- i) 50,00,490 (Previous Year 50,00,490) Equity shares were allotted to the shareholders of the erstwhile Lustre Investments Private Limited, for consideration other than cash pursuant to a Scheme of Amalgamation
- ii) 26,50,000 (Previous Year 26,50,000) Equity shares were issued on preferential basis to investors.
- iii) 43,26,110 (Previous Year 43,26,110) Equity shares were issued on conversion of preferential warrants. Out of these, 2,00,000 Equity shares carry restriction on transfer for a period of three years from the date of their issue i.e. upto 27th March 2015 and 18,00,000 Equity shares carry restriction on transfer for a period of three years from the date of issue i.e. upto 22nd January, 2016.

#### b. Terms/rights attached to Equity shares

The Company has only one class of shares referred to as Equity Shares having a par value of ₹ 10/-. Each holder of Equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

The Board of Directors, in their board meeting held on 28 th May 2015, proposed a dividend of ₹ 1.50 per Equity share. The total dividend appropriation for the year ended 31st March 2015 amounted to ₹ 330.00 lacs including corporate dividend tax of ₹ 67.18 lacs. The proposal is subject to approval of the shareholders at the Annual General Meeting.

During the year ended 31st March 2015, amount of dividend per share distributed to Equity share holders was ₹ 1.50 for the year ended 31st March 2014. The total dividend appropriation for the year ended 31st March 2014 amounted to ₹ 386.08 lacs including corporate dividend tax of ₹ 56.08 lacs.

In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to their share holding.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### c. Details of shareholders holding more than 5% shares of the Company

Class of shares / name of shareholder	31-Mar-15		31-Mar-14	
	No. of shares held	% holding	No. of shares held	% holding
Credit Renaissance Fund Limited	-	0.00%	2,199,700	10.00%
Mr. Ashok H. Thakkar	1,836,354	8.35%	1,836,354	8.35%
Top Class Capital Markets Pvt. Ltd.	1,587,535	7.22%	1,752,859	7.97%
Mr. Bimal R. Thakkar	2,201,074	10.00%	1,271,074	5.78%
Mr. Bhavesh R. Thakkar	1,176,450	5.35%	1,176,450	5.35%
Mr. Mishal A. Thakkar	1,821,098	8.28%	1,821,098	8.28%
Mrs. Mahalaxmi R. Thakkar	1,958,022	8.90%	1,958,022	8.90%
<b>Total</b>	<b>10,580,533</b>	<b>48.10%</b>	<b>12,015,557</b>	<b>54.63%</b>

### Note 2

Reserves and Surplus	31-Mar-15 ₹ in lacs	31-Mar-14 ₹ in lacs
<b>Capital Reserve</b>		
As per last Balance Sheet	105.00	105.00
Closing balance	<b>105.00</b>	<b>105.00</b>
<b>Securities Premium Reserve</b>		
As per last Balance Sheet	5,934.33	5,934.33
Closing balance	<b>5,934.33</b>	<b>5,934.33</b>
<b>General Reserve</b>		
As per last Balance Sheet	638.97	548.97
Addition during the year	125.00	90.00
Closing balance	<b>763.97</b>	<b>638.97</b>
<b>Hedging Reserve</b>		
As per last Balance Sheet	168.20	141.54
Addition during the year	92.31	26.66
Closing balance	<b>260.51</b>	<b>168.20</b>
<b>Surplus in Statement of Profit &amp; Loss (Refer Note A given below)</b>		
As per last Balance Sheet	7,364.76	6,595.96
Profit for the year as per Note A given below	1,005.26	768.80
Adjustment in carrying amount of depreciation as per Part C of Schedule II of the Companies Act, 2013	(91.73)	-
Closing balance	<b>8,278.29</b>	<b>7,364.76</b>
<b>Total</b>	<b>15,342.10</b>	<b>14,211.26</b>
<b>Note A</b>		
Profit for the year	1,460.26	1,244.88
Less: Appropriations		
Dividend proposed to be distributed to Equity shareholders (₹ 1.50 per share)	262.82	330.00
Tax on dividend	67.18	56.08
Transfer to general reserve	125.00	90.00
<b>Total</b>	<b>455.00</b>	<b>476.08</b>
<b>Total</b>	<b>1,005.26</b>	<b>768.80</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**
**Note 3**

<b>Long Term Borrowings</b>	<b>31-Mar-15 ₹ in lacs</b>	<b>31-Mar-14 ₹ in lacs</b>
<b>Secured</b>		
Long term maturities of car finance		
Due to a bank under car loan agreement (Refer Note 3.1)	-	3.07
Due to others under car loan agreements (Refer Note 3.2)	47.25	-
<b>Total</b>	<b>47.25</b>	<b>3.07</b>
<b>Note 3</b>		
1) Secured by hypothecation of asset purchased, repayable in 36 installments. The loan carries interest of 8% to 10.50% p.a.		
2) Secured by hypothecation of asset purchased, repayable in 36 installments. The loan carries interest of 9.36% to 9.37% p.a.		

**Note 4**

<b>Deferred Tax Liability (Net)</b>	<b>31-Mar-15 ₹ in lacs</b>	<b>31-Mar-14 ₹ in lacs</b>
<b>Liabilities:</b>		
On Fixed assets	808.60	771.79
<b>Assets:</b>		
On Others	(70.38)	(63.41)
<b>Net deferred tax liability</b>	<b>738.22</b>	<b>708.38</b>

**Note 5**

<b>Other Long Term Liabilities</b>	<b>31-Mar-15 ₹ in lacs</b>	<b>31-Mar-14 ₹ in lacs</b>
Security deposit received	-	25.00
<b>Total</b>	<b>-</b>	<b>25.00</b>

**Note 6**

<b>Long Term Provisions</b>	<b>31-Mar-15 ₹ in lacs</b>	<b>31-Mar-14 ₹ in lacs</b>
(a) Provision for Employees' benefits (Refer Note 27 (11)(b))		
(i) Provision for compensated absences	29.13	26.61
(ii) Provision for gratuity	92.26	78.15
<b>Total</b>	<b>121.39</b>	<b>104.76</b>

**Note 7**

<b>Short Term Borrowings</b>	<b>31-Mar-15 ₹ in lacs</b>	<b>31-Mar-14 ₹ in lacs</b>
(a) Loans repayable on demand		
From banks		
Secured (Refer Note 7.1)		
(i) State bank of Hyderabad	122.80	323.34
(ii) Bank of Baroda	249.06	309.37
(iii) HDFC Bank Limited	313.81	874.38
<b>Total</b>	<b>685.67</b>	<b>1,507.09</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### Note 7.1

Secured loan availed from the above mentioned banks is secured by hypothecation of the Current Assets of the Company, immovable property of the Company situated at Nadiad and movable Plant, Machinery, Stores, Spares, Tools and Accessories and other movables both present and future which have been provided as collateral security, ranking pari pasu in favour of the Company's bankers. The said Working Capital limits are repayable on demand and the interest payable on Rupee borrowings range from 11.00 % to 11.70 % p.a. and on foreign currency borrowings is LIBOR plus margin (200 basis points).

### Note 8

Trade Payables	31-Mar-15 ₹ in lacs	31-Mar-14 ₹ in lacs
a) Due to Micro Small and Medium Enterprises (Refer Note 27 (6))	26.37	36.83
b) Others	712.60	842.27
<b>Total</b>	<b>738.97</b>	<b>879.10</b>

### Note 9

Other Current Liabilities	31-Mar-15 ₹ in lacs	31-Mar-14 ₹ in lacs
(a) Current maturities of car finance (Refer Note 3.2)	26.11	11.84
(b) Unclaimed Dividend	67.53	75.08
(c) Other payables		
(i) Statutory Dues	43.72	50.13
(ii) Advances from customers	31.91	38.55
(iii) Book over draft	93.66	49.37
(iv) Others (Includes due to Micro Small and Medium Enterprises, ₹ 6.89 lacs, Previous Year ₹ Nil) (Refer Note 27 (6))	242.01	123.55
<b>Total</b>	<b>504.94</b>	<b>348.52</b>

### Note 10

Short Term Provisions	31-Mar-15 ₹ in lacs	31-Mar-14 ₹ in lacs
(a) Provision for employees' benefits (Refer Note 27(11)(b))		
(i) Provision for compensated absences	9.71	8.87
(ii) Provision for compensated sick leaves	4.87	3.48
(iii) Provision for gratuity	-	9.52
	<b>14.58</b>	<b>21.87</b>
(b) Others:		
(i) Provision for tax (net of advance tax ₹ 1,580.68 lacs; Previous Year ₹ 1,034.31 lacs)	76.74	52.39
(ii) Provision for proposed equity dividend	262.82	330.00
(iii) Provision for tax on proposed equity dividend	67.18	56.08
	<b>406.74</b>	<b>438.47</b>
<b>Total</b>	<b>421.32</b>	<b>460.34</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### Note 11

#### Fixed Assets

₹ in lacs

Assets	Gross Block				Depreciation and Amortization					Net Block	
	As at 1st April 14	Additions	Deductions	As at 31st March 2015	Upto 31st March 2014	Adjustments	For the year	Deductions	Upto 31st March 2015	As at 31st March 2015	As at 31st March 2014
<b>Tangible Assets:</b>											
Leasehold land	103.97	-	-	103.97	7.57	-	1.01	-	8.58	95.39	96.40
Freehold land	4.18	-	-	4.18	-	-	-	-	-	4.18	4.18
Factory building	2,058.13	1,005.05	-	3,063.18	754.28	-	68.94	-	823.22	2,239.96	1,303.85
Office premises	106.56	-	-	106.56	5.42	-	1.68	-	7.10	99.46	101.14
Plant and machinery	3,676.88	437.59	5.46	4,109.01	1,638.69	122.95	213.22	3.29	1,971.57	2,137.44	2,038.19
Electrical installation	-	84.31	-	84.31	-	-	1.86	-	1.86	82.45	-
Laboratory equipment	23.73	2.46	0.99	25.20	13.61	3.56	1.86	0.94	18.09	7.11	10.12
Office equipment	48.88	15.32	8.75	55.45	19.89	9.56	9.65	8.11	30.99	24.46	28.99
Computers	86.92	3.81	42.80	47.93	68.08	2.47	9.21	42.56	37.20	10.73	18.84
Furniture and fixtures	78.56	58.76	3.29	134.03	37.13	0.31	10.81	3.14	45.11	88.92	41.43
Vehicles	317.69	182.92	102.47	398.14	129.74	0.09	48.17	58.29	119.71	278.43	187.95
	<b>6,505.50</b>	<b>1,790.22</b>	<b>163.76</b>	<b>8,131.96</b>	<b>2,674.41</b>	<b>138.94</b>	<b>366.41</b>	<b>116.33</b>	<b>3,063.43</b>	<b>5,068.53</b>	<b>3,831.09</b>
<b>Intangible assets:</b>											
Trade marks	4,245.00	-	-	4,245.00	1,392.43	-	359.94	-	1,752.37	2,492.63	2,852.57
Goodwill	399.03	-	-	399.03	399.03	-	-	-	399.03	-	-
Software	-	24.40	-	24.40	-	-	6.02	-	6.02	18.38	-
	<b>4,644.03</b>	<b>24.40</b>	<b>-</b>	<b>4,668.43</b>	<b>1,791.46</b>	<b>-</b>	<b>365.96</b>	<b>-</b>	<b>2,157.42</b>	<b>2,511.01</b>	<b>2,852.57</b>
<b>Total</b>	<b>11,149.53</b>	<b>1,814.62</b>	<b>163.76</b>	<b>12,800.39</b>	<b>4,465.87</b>	<b>138.94</b>	<b>732.37</b>	<b>116.33</b>	<b>5,220.85</b>	<b>7,579.54</b>	<b>6,683.66</b>
<b>Previous Year</b>	<b>10,916.18</b>	<b>253.04</b>	<b>19.69</b>	<b>11,149.53</b>	<b>3,747.52</b>	<b>-</b>	<b>732.72</b>	<b>14.37</b>	<b>4,465.87</b>	<b>6,683.66</b>	
Capital-work-in progress										169.12	850.50
<b>Total</b>										<b>7,748.66</b>	<b>7,534.16</b>

#### Note:

- 11 (a) Adjustments in Depreciation represents the carrying amounts of the assets on the date of Schedule II coming into effect, namely April 1, 2014 where the remaining useful life is Nil, being recognised in the opening balance of retained earnings.
- 11 (b) Consequent to Schedule II to the Companies Act, 2013 becoming applicable w.e.f. April 01, 2014, depreciation for the year ended March 31, 2015 has been provided on the basis of the useful lives as prescribed in Schedule II. This has resulted in the depreciation expenses for year ended March 31, 2015 being higher by ₹ 23.30 lacs. Depreciation of ₹ 91.73 lacs (net of Deferred Tax) on account of assets whose useful life is already exhausted as on April 01, 2014, has been adjusted to the opening balance of retained earnings.

### Note 12

Non Current Investments	31-Mar-15 ₹ in lacs	31-Mar-14 ₹ in lacs
<b>Investments (At cost)</b>		
Other Investments		
<b>Unquoted:</b>		
Investment in equity instruments of subsidiaries (Refer Note 27 (9))		
<b>a) ADF Foods (UK) Limited</b>		
20,85,281 (Previous Year 19,51,352) Equity shares of £1 each fully paid	1,826.29	1,691.09
<b>b) Power Brands (Foods) Private Limited</b>		
2,08,85,992 (Previous Year 2,08,85,992) Equity shares of ₹ 10/- each fully paid (Refer Note 27 (19))	-	-
<b>c) ADF Foods (India) limited</b>		
50,000 (Previous Year 50,000) Equity shares of ₹ 10/- each fully paid	5.00	5.00
<b>Total</b>	<b>1,831.29</b>	<b>1,696.09</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### Note 13

Long Term Loans and Advances	31-Mar-15 ₹ in lacs	31-Mar-14 ₹ in lacs
<b>Unsecured:</b>		
(a) Capital advance		
Considered good	22.98	22.45
Doubtful	14.63	14.63
Less: Provision for doubtful advances	14.63	14.63
	<b>22.98</b>	<b>22.45</b>
(b) Other deposits		
Considered good	137.35	133.79
(Includes deposit of ₹ 12.00 lacs (Previous Year ₹ 12.50 lacs) paid to a Related Party. Refer Note 27 (9))		
(c) Loans and advances to employees		
Considered good	20.07	19.51
(d) Others		
Considered good		
(i) MAT Credit	33.12	35.09
<b>Total</b>	<b>213.52</b>	<b>210.84</b>

### Note 14

Other Non Current Assets	31-Mar-15 ₹ in lacs	31-Mar-14 ₹ in lacs
(a) Advances to suppliers	27.84	27.84
Less: Considered doubtful	27.84	27.84
	-	-
(b) Others		
(i) in deposit accounts (due to mature after 12 months from reporting date) (Refer Note 14.1)	-	6.24
<b>Total</b>	<b>-</b>	<b>6.24</b>

#### Note 14.1

The bank deposits of ₹ Nil (Previous Year ₹ 6.24 lacs) have been kept with State Bank of Hyderabad as margin money deposits against bank guarantees.

### Note 15

Current Investments	31-Mar-15 ₹ in lacs	31-Mar-14 ₹ in lacs
<b>Quoted</b>		
<b>Investment in mutual funds (At lower of cost or market value) (Refer Note 15.1)</b>		
Reliance Dynamic Bond Fund Growth Plan	-	75.00
Kotak Bond Scheme Plan A Growth	-	325.00
Birla Sunlife Income Plus Growth Regular Plan	-	350.00
Templeton India Short Term Income Retail Plan	-	350.00
Birla Sun Life Short Term Opportunities Fund Growth	500.00	500.00
HDFC Short Term Opportunities Fund Growth	-	500.00
ICICI Prudential FMP series 63 270 days plan D	300.00	-
<b>Total</b>	<b>800.00</b>	<b>2,100.00</b>
Aggregate amount of current investment (market value)	916.23	2,214.17

#### Note 15.1

The above investments in mutual funds (except investments made in Birla Sun Life Short Term Opportunities Fund Growth Rs 100 lacs) have been pledged in favour of HDFC Bank Limited, Mumbai against outstanding term loan of US \$ 1.42 million (Previous Year US \$ 2.74 million) granted by HDFC Bank Limited, Bahrain Branch to the Company's indirect subsidiary - ADF Holdings (USA) Limited. On the maturity of the said units, the Company has agreed to provide fresh security to HDFC Bank Limited, Mumbai as and when required.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**
**Note 16**

<b>Inventories</b>	<b>31-Mar-15 ₹ in lacs</b>	<b>31-Mar-14 ₹ in lacs</b>
(At lower of cost and net realizable value)		
Raw materials	269.37	271.06
Semi-finished goods	923.74	736.27
Finished goods (Including goods in transit ₹ 193.67 lacs (Previous Year ₹ 126.08 lacs))	285.76	258.90
Traded goods (Including goods in transit ₹ 25.26 lacs (Previous Year ₹ 2.33 lacs))	78.22	85.56
Packing materials	622.82	662.56
Licenses on hand	180.00	215.00
<b>Total</b>	<b>2,359.91</b>	<b>2,229.35</b>

**Note 17**

<b>Trade Receivables</b>	<b>31-Mar-15 ₹ in lacs</b>	<b>31-Mar-14 ₹ in lacs</b>
<b>Trade receivables outstanding for a period exceeding six months from the date they were due for payment</b>		
Unsecured, considered Good	12.93	15.13
Doubtful	12.93	-
	25.86	15.13
Less: provision for doubtful trade receivables	12.93	-
	<b>12.93</b>	<b>15.13</b>
<b>Other trade receivables</b>		
Unsecured, considered good	3,069.59	2,802.39
	<b>3,069.59</b>	<b>2,802.39</b>
<b>Total</b>	<b>3,082.52</b>	<b>2,817.52</b>
Above includes debts due from related parties: Refer Note 27(9) for disclosure of their relationship ADF Foods (India) Limited	45.59	96.14

**Note 18**

<b>Cash and Bank Balances</b>	<b>31-Mar-15 ₹ in lacs</b>	<b>31-Mar-14 ₹ in lacs</b>
<b>Cash and cash equivalents</b>		
(a) Balance with banks		
(i) in Current accounts	62.42	42.30
(ii) in EEFC accounts	635.61	456.20
	<b>698.03</b>	<b>498.50</b>
(b) Cash on hand	39.03	9.73
	<b>737.06</b>	<b>508.23</b>
<b>Other bank balances</b>		
(i) in earmarked accounts		
- Unclaimed dividend accounts	67.53	75.08
(ii) in deposit accounts		
- with original maturity for more than 3 months but less than 12 months	-	450.00
(iii) Held as margin money or security against borrowings / guarantees and other commitments. (Refer Note 18.1):		
(a) with original maturity of less than 3 months	65.14	31.47
(b) with original maturity for more than 3 months but less than 12 months	125.20	141.86
	<b>257.87</b>	<b>698.41</b>
<b>Total</b>	<b>994.93</b>	<b>1,206.64</b>
<b>Note 18.1</b>		
Margin money deposits are kept with banks against issue of letters of credit, bank guarantees and for forward contracts.		

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### Note 19

Short Term Loans and Advances	31-Mar-15 ₹ in lacs	31-Mar-14 ₹ in lacs
<b>Unsecured</b>		
(a) Loans and advances to related parties Considered good (Refer Note 27 (9) for disclosure of their relationship)		
- ADF Foods (USA) Limited	38.18	26.28
- ADF Foods (UK) Limited	2,355.29	880.37
(b) Loans and advances to employees Considered good	29.19	26.81
(c) Prepaid expenses	20.35	21.53
(d) Balances with government authorities - considered good		
(i) CENVAT credit receivable	150.76	72.78
(ii) VAT credit receivable	123.88	109.90
(iii) Service tax credit receivable	241.77	238.14
(e) Inter corporate deposit Considered good	-	875.00
(f) Others Considered good		
(i) Advances to suppliers for goods	254.42	100.08
(ii) Advances to suppliers for expenses (Includes from ADF Holdings (USA) Limited ₹ 0.99 lacs, Previous Year ₹ 0.95 lacs)	81.20	24.75
(iii) Mark-to-market on derivative contracts	260.51	118.51
(iv) Interest receivable	3.14	29.65
(v) Others	248.17	160.71
<b>Total</b>	<b>3,806.86</b>	<b>2,684.51</b>

### Note 20

Revenue From Operations	For the year ended 31-Mar-15 ₹ in lacs	For the year ended 31-Mar-14 ₹ in lacs
<b>Sale of products</b>		
Manufactured goods *	13,124.52	12,630.17
Less: Excise duty	75.10	123.01
	13,049.42	12,507.16
Traded goods	1,013.20	839.56
Other operating revenue	882.55	834.68
<b>Total</b>	<b>14,945.17</b>	<b>14,181.40</b>
* Includes sales to related party ₹ 187.23 lacs (Previous Year ₹ 260.21 lacs) (Refer Note 27 (9))		
<b>Sale Of Products Comprises:</b>		
<b>Manufactured Goods</b>		
Meal accompaniments	7,845.20	8,031.71
Frozen foods	2,080.92	1,937.42
Ready to eat	1,635.56	1,348.58
Spices and condiments	992.79	765.52
Others	570.05	546.94
<b>Total - Sale of finished goods (A)</b>	<b>13,124.52</b>	<b>12,630.17</b>
<b>Traded Goods</b>		
Tamarind	498.24	265.74
Canned foods	384.98	355.11
Snacks	63.29	49.79
Others	66.69	168.92
<b>Total - Sale of traded goods (B)</b>	<b>1,013.20</b>	<b>839.56</b>
<b>Total - Sale of products (A + B)</b>	<b>14,137.72</b>	<b>13,469.73</b>



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

<b>Sale Of Products</b>	<b>For the year ended 31-Mar-15 ₹ in lacs</b>	<b>For the year ended 31-Mar-14 ₹ in lacs</b>
<b>Other Operating Revenues Comprise:</b>		
Sale of import licenses	615.60	642.81
Steamer freight assistance	201.95	112.50
Duty drawback	54.01	47.61
Sale of scrap	10.99	3.90
Insurance claim received	-	27.86
<b>Total - Other operating revenues</b>	<b>882.55</b>	<b>834.68</b>

**Note 21**

<b>Other Income</b>	<b>For the year ended 31-Mar-15 ₹ in lacs</b>	<b>For the year ended 31-Mar-14 ₹ in lacs</b>
Interest income (Refer Note 21.1)	54.50	178.88
Dividend income from current investments	0.36	0.65
Net gain on redemption of current investments	162.45	170.71
Net gain on foreign currency transactions and translations (Other than considered as finance cost)	406.34	-
Other non-operating income (net of expenses directly attributable to such income) (Refer Note 21.2)	65.83	48.99
<b>Total</b>	<b>689.48</b>	<b>399.23</b>
<b>Note 21.1</b>		
<b>Interest Income Comprises:</b>		
Interest from banks on deposits	39.33	71.12
Interest on loans and advances	-	93.81
Other interest	15.17	13.95
<b>Total - Interest income</b>	<b>54.50</b>	<b>178.88</b>
<b>Note 21.2</b>		
<b>Other Non Operating Income Comprises:</b>		
Excess provisions written back	6.04	13.96
Miscellaneous income *	59.79	35.03
<b>Total - Other non-operating income</b>	<b>65.83</b>	<b>48.99</b>
* Includes income received from indirect subsidiary ₹ 11.10 lacs (Previous Year ₹ 15.62 lacs) (Refer Note 27 (9))		

**Note 22**

<b>22(a) Cost Of Materials Consumed</b>	<b>For the year ended 31-Mar-15 ₹ in lacs</b>	<b>For the year ended 31-Mar-14 ₹ in lacs</b>
<b>Raw Materials Consumed :</b>		
Opening Stock	271.06	166.70
Add : Purchases	4,809.70	4,146.94
Add: Carriage inward	39.79	31.20
	5,120.55	4,344.84
Less : Closing stock	269.37	271.06
<b>Cost of raw materials consumed</b>	<b>4,851.18</b>	<b>4,073.78</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

22(a) Cost Of Materials Consumed	For the year ended 31-Mar-15 ₹ in lacs	For the year ended 31-Mar-14 ₹ in lacs
<b>Raw Materials Consumed Comprises:</b>		
Brined fruits and vegetables	1,884.27	1,389.70
Sugar	974.81	1,017.95
Spices	624.86	424.29
Oil	322.11	365.93
Milk and milk products	263.40	197.91
Others	781.73	678.00
	<b>4,851.18</b>	<b>4,073.78</b>
<b>Packing Materials Consumed :</b>		
Opening stock	662.56	658.67
Add : Purchases	2,031.52	1,830.98
	2,694.08	2,489.65
Less : Closing stock	622.82	662.56
<b>Cost of packing materials consumed</b>	<b>2,071.26</b>	<b>1,827.09</b>
<b>Packing Materials Consumed Comprises:</b>		
Glass bottles	484.06	517.69
Carboys	364.81	233.02
Cartons	161.06	154.74
Printed box	200.71	142.96
Others	860.62	778.68
	<b>2,071.26</b>	<b>1,827.09</b>
<b>Total Consumption of materials</b>	<b>6,922.44</b>	<b>5,900.87</b>
<b>(b) Purchase Of Traded Goods:</b>		
Purchases	680.63	483.31
<b>Traded goods</b>	<b>680.63</b>	<b>483.31</b>
<b>Traded Goods Comprises:</b>		
Tamarind	341.62	143.86
Canned foods	239.17	264.31
Snacks	34.26	27.66
Others	65.58	47.48
	<b>680.63</b>	<b>483.31</b>
<b>(c) Changes In Inventories Of Finished Goods and Work-In-Progress:</b>		
<b>Inventories at the end of the year</b>		
Finished Goods	285.76	258.90
Work-In-Progress	923.74	736.27
Traded Goods	78.22	85.56
Licenses on hand	180.00	215.00
	<b>1,467.72</b>	<b>1,295.73</b>
<b>Inventories at the beginning of the year</b>		
Finished Goods	258.90	127.16
Work-In-Progress	736.27	901.43
Traded Goods	85.56	51.80
Licenses on hand	215.00	129.00
	<b>1,295.73</b>	<b>1,209.39</b>
<b>Net (increase) / decrease</b>	<b>(171.99)</b>	<b>(86.34)</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**
**Note 23**

<b>Employees' Benefit Expenses</b>	<b>For the year ended 31-Mar-15 ₹ in lacs</b>	<b>For the year ended 31-Mar-14 ₹ in lacs</b>
Salaries and wages	1,024.39	913.20
<b>Contribution to Provident Fund &amp; Other Funds:</b>		
Company's contribution to Provident Fund	73.68	62.97
Company's contribution to Employeee State Insurance Corporation	7.05	7.60
Company's contribution to labour welfare fund	0.14	0.15
Gratuity (Refer Note 27(11)(b))	28.24	46.29
Staff welfare	61.08	88.12
<b>Total</b>	<b>1,194.58</b>	<b>1,118.33</b>

**Note 24**

<b>Finance Costs</b>	<b>For the year ended 31-Mar-15 ₹ in lacs</b>	<b>For the year ended 31-Mar-14 ₹ in lacs</b>
(a) Interest expenses on:		
(i) Borrowings	30.33	41.77
(ii) Others		
- Interest on delayed / deferred payment of income tax	0.15	0.36
- Interest on delayed / deferred payment of service tax	0.08	0.08
- Interest expense on car finance	1.45	1.84
- Others	0.58	9.58
(b) Other borrowing cost	62.59	60.02
<b>Total</b>	<b>95.18</b>	<b>113.65</b>

**Note 25**

<b>Depreciation and Amortization</b>	<b>For the year ended 31-Mar-15 ₹ in lacs</b>	<b>For the year ended 31-Mar-14 ₹ in lacs</b>
Tangible assets	366.41	324.38
Intangible assets	365.96	408.34
<b>Total</b>	<b>732.37</b>	<b>732.72</b>

**Note 26**

<b>Other Expenses</b>	<b>For the year ended 31-Mar-15 ₹ in lacs</b>	<b>For the year ended 31-Mar-14 ₹ in lacs</b>
Excise duty	36.94	51.17
Freezing and preservation charges	12.68	9.30
Power and fuel	391.60	372.48
Electricity	17.44	18.58
Water charges	11.26	9.44
Other manufacturing expenses	274.82	206.26
Rent including lease rent	188.55	186.80
Repairs and maintenance to building	23.12	40.06
Repairs and maintenance to machinery	74.34	48.44
Repairs and maintenance to others	22.32	35.04
Insurance	40.62	39.16

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Other Expenses	For the year ended 31-Mar-15 ₹ in lacs	For the year ended 31-Mar-14 ₹ in lacs
Rates and taxes	43.70	45.23
Communication expenses	47.85	48.68
Traveling and conveyance expenses	449.92	443.92
Motor car expenses	39.46	33.46
Printing and stationery	10.43	9.45
Freight and forwarding	1,124.01	995.70
Sales commission and claims	190.81	153.72
Advertisement	216.87	574.27
Sales and marketing expenses - International	338.90	388.25
Sales and marketing expenses - Domestic	205.07	240.39
Donations	4.41	19.38
Legal and professional fees	223.13	248.24
Payment to Auditors:		
For Statutory Audit	18.00	12.00
For Audit under other statutes	0.13	-
For Taxation Matters	0.23	0.50
For Other Services	0.77	0.83
For reimbursement of expenses	0.53	1.03
<b>Total</b>	<b>19.66</b>	<b>14.36</b>
Registration and filing fees	3.67	2.75
Directors' sitting fees	8.40	3.35
Loss on foreign currency transactions and translations (net)	-	103.35
Loss on sale of fixed assets	29.38	4.18
Provision for doubtful trade receivables	12.93	-
Miscellaneous expenses	217.78	173.16
<b>Total</b>	<b>4,280.07</b>	<b>4,518.57</b>

## NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

### Note 27

#### 1. Corporate information

ADF Foods Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India. The Company is engaged in the manufacture and selling of food products like pickles, chutneys, ready to eat items, paste and sauces, frozen foods, spices etc. The Company caters mainly to International markets and domestic market.

#### 2. Significant accounting policies

##### a. Basis of preparation of financial statements:

The financial statements of the Company have been prepared on accrual basis under the historical cost convention and ongoing concern basis in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under section 133 of The Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of The Companies Act, 2013 ('the Act') / The Companies Act, 1956, as applicable.

##### Current / non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

##### An asset is classified as current when it satisfies any of the following criteria;

- (a) it is expected to be realized in, or is intended for sale or consumption in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realized within twelve months after the balance sheet date; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria;

- (a) it is expected to be settled in, the entity's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within twelve months after the balance sheet date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act.

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

##### b. Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities as at the date of financial statements. Changes in estimates are recognized in the year these arise.

##### c. Fixed Assets

###### i) Tangible assets

Tangible fixed assets are carried at cost less accumulated depreciation and impairment if any. Cost comprises the purchase price or construction cost including any attributable cost of bringing the asset to its working condition for its intended use.

###### ii) Intangible assets

Intangible fixed assets are carried at cost less accumulated amortization and impairment if any. Cost comprises the purchase consideration paid for brands and goodwill and any attributable cost of bringing internally generated asset to its working condition for its intended use.

###### iii) Capital work in progress

Capital work in progress includes the acquisition/commissioning cost of assets under expansion/acquisition and pending commissioning. Expenditure of revenue nature related to such acquisition/expansion is also treated as capital work in progress and capitalized along with the asset on completion of the expansion project or otherwise on commencement of commercial use of the asset.

##### d. Depreciation

###### i) Tangible assets

Depreciation has been provided under the straight-line method on all Fixed Assets at the rates specified as per Schedule II to the Companies Act, 2013 except in case of carboys and pallets where a lower rate of depreciation i.e. five years under straight line method is applied based on technical advice obtained by the company. Depreciation on additions to assets or where any asset has been sold or discarded, is calculated on a pro-rata basis from the date of such addition or up to the date of such sale or discard as the case may be.

**ii) Intangible assets**

Intangible assets are amortized over a period of 5 years in the case of Goodwill and over a period of 10 years in the case of Brands purchased / acquired.

**iii) Leasehold land**

Cost of leasehold land is amortized over the balance period of the lease.

**iv) Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

**e. Valuation of stock**

**i)** In determining cost of raw materials, packing materials, traded items, semi-finished goods, finished goods, stores, spares and consumables, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition. Damaged, unserviceable and inert stocks are suitably written down.

**ii)** Traded goods and finished goods are valued at cost or net realizable value whichever is lower. Cost of finished goods and semi-finished goods includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location.

**f. Employee benefits**

**i) Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognised in the period in which the employee renders the related service. The Company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

**ii) Post-employment benefits**

**(a) Defined contribution plans**

Defined contribution plans are Employee Provident Fund scheme and Employee State Insurance scheme for eligible employees. The Company's contribution to defined contribution plans is recognised in the Statement of Profit and Loss in the financial year to which they relate.

**(b) Defined benefit plans**

**(i) Compensated absences**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

**(ii) Gratuity scheme**

The Company operates defined benefit plan for its employees, viz., gratuity. The costs of providing benefit under these plans are determined on the basis of actuarial valuation at each year-end.

Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the Statement of Profit and Loss.

**g. Foreign Currency transactions**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Exchange differences arising on foreign exchange transaction settled during the year are recognized in Statement of Profit and Loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding as at the year-end are translated at the closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss.

Forward contracts, other than those entered to hedge foreign currency risk on unexecuted firm commitments or highly probable forecast transactions, are treated as foreign currency transactions and accounted accordingly as per Accounting Standard 11 ["the effect of changes in foreign exchange rates"]. Exchange differences arising on such contracts are recognized in the period in which they arise.

The premium / discount on a foreign currency forward contract is accounted as expense / income over the period of the contract.

Gains and losses arising on account of roll over / cancellation of forward contracts are recognized as income / expenses of the period in which such rollover / cancellation takes place.

The Company has adopted Accounting Standard 30, Financial Instruments; Recognition and Measurement (AS 30) issued by ICAI to the extent the adoption of AS 30 does not conflict with existing Accounting Standards prescribed by Companies (Accounting Standards) Rules, 2006 and other authoritative pronouncements.

Accordingly, the resultant gains or losses or fair valuation / settlement of the derivative contracts covered under Accounting Standard (AS) 30 ["Financial Instruments; Recognition and Measurement"] are recognized in the Statement of Profit and Loss or balance sheet as the case may be after applying the test of hedge effectiveness. Where the hedge is effective, the gains or losses are recognized in the "Hedging Reserve" which forms part of "Reserves and Surplus" in the Balance Sheet, while the same is recognized in the Statement of Profit and Loss where the hedge is ineffective. The amount recognized in the "Hedging Reserve" is transferred to the Statement of Profit and Loss in the period in which the underlying Hedge item affects the Statement of Profit and Loss.

## **h. Revenue recognition**

Revenue from sale of goods is recognized on transfer of all significant risk and rewards of ownership to the buyer on dispatch of goods and is net of sales return, taxes and excise duty.

Scrap sales are accounted upon sales.

Dividend income is recognized when the right to receive payment is established.

Interest, export benefits and other income are recognized on accrual basis.

## **i. Research and development**

Research and Development costs (other than the cost of fixed assets acquired) are charged as expenses in the year in which these are incurred.

## **j. Provisions and contingencies**

The Company creates a provision when there exist a present obligation as a result of past events and that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

## **k. Investments**

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

## **l. Lease accounting**

### **i) Where the Company is lessee**

Leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the Statement of Profit and Loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule II to the Companies Act, 2013, whichever is lower. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule II to the Companies Act, 2013.

Where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, such leases are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

### **ii) Where the Company is the lessor**

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

## **m. Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**n. Government grants and subsidies**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

**o. Taxation**

Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of the timing differences between accounting income and taxable income for the period)

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax loss that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized only to that extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date to reassess realization.

**P. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**Q. Earnings per share**

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity share holders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than conversion and potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity share holders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**3. Share warrants / share capital**

Out of the total amount of ₹ 4,004.35 lacs received from the preferential allotment of the Shares and Warrants issued from time to time, the Company has utilized these funds in the manner summarized below:

	₹ in lacs
For expansion / acquisition of fixed assets	4,004.35
Unutilized balance held as fixed deposits with bank and Investment in mutual funds	Nil
<b>Total</b>	<b>4,004.35</b>

**4a. Contingent Liabilities**

	₹ in lacs	
	2014-15	2013-14
Guarantees issued by the banks (net of margin money)	30.42	34.18
Claims against the Company not acknowledged as debts (net of deposits)	23.35	15.25
Disputed Service tax demands of earlier years	433.01	440.00
Disputed income tax demand for A.Y. 2012-13	81.70	-

**4b. Capital commitments (net of advances)**

	₹ in lacs	
	2014-15	2013-14
Capital commitments (net of advances)	4.97	278.57

5. The Company has reviewed the valuation of its intangible assets and investments, based on management estimates. Such valuation does not reflect any impairment of value requiring provision of additional amortization amount.

**6. Micro, Small and Medium enterprises**

Micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Sundry creditors include total outstanding dues to Micro Small Enterprises amounting to ₹ 26.37 lacs (Previous Year: ₹ 36.83 lacs) and Other Current Liabilities include total outstanding dues to Micro Small Enterprises amounting to ₹ 6.89 lacs (Previous Year: ₹ Nil). The disclosures pursuant to MSMED Act based on the books of account are as under:



₹ In lacs

	2014-15	2013-14
Dues remaining unpaid		
Principal	33.26	36.83
Interest	Nil	Nil
Interest paid in terms of Section 16 of MSMED Act	Nil	Nil
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year but without adding the interest specified under the MSMED Act	Nil	Nil
Amount of interest accrued and remaining unpaid	Nil	Nil
Amount of further interest remaining due and payable in seceding years for the purpose of disallowances under section 23 of the Act	Nil	Nil

## 7 Loans and advances include

### a. Advances to subsidiaries

- i) ADF Holdings (USA) Limited, ₹ 0.99 lacs, (Previous Year ₹ 0.95 lacs), maximum balance during the year ₹ 0.99 lacs, (Previous Year ₹ 0.95 lacs)
- ii) ADF Foods (USA) Limited, ₹ 38.18 lacs, (Previous Year ₹ 26.28 lacs), maximum balance during the year ₹ 38.18 lacs, (Previous Year ₹ 26.28 lacs)
- iii) ADF Foods (UK) Limited, ₹ 2,355.29 lacs, (Previous Year ₹ 880.37 lacs), maximum balance during the year ₹ 2,355.29 lacs, (Previous Year ₹ 898.97 lacs)

### b. Deposits paid to related parties

Interest free security deposit of ₹ 12.00 lacs (Previous Year ₹ 12.50 lacs), maximum balance during the year ₹ 12.50 lacs (Previous Year ₹ 13.00 lacs) paid for guest house taken on lease from a Related party.

## 8. Disclosure in respect of lease

The future minimum lease rental payments, in respect of operating lease are as follows:

₹ In lacs

	2014-15	2013-14
i) Not later than one year	163.94	142.60
ii) Later than one year and not later than five years	135.32	266.50
iii) Later than five years	42.83	43.33

Lease payment recognized in the Statement of Profit and Loss for the year ended is ₹ 146.28 lacs, (Previous Year ₹ 143.64 lacs).

## 9. Related party disclosures

### Related parties with whom transactions have taken place during the year

Sr. No:	Related party relationship	Name of the Related Parties
1.	Direct subsidiaries	Power Brands (Foods) Pvt. Limited (Under members' voluntary liquidation-Refer Note 27 (19))
		ADF Foods UK Limited
		ADF Foods India Limited
2.	Indirect subsidiaries	ADF Holdings (USA) Limited
		ADF Foods (USA) Limited
3.	Key managerial personnel	Mr. Ashok H. Thakkar – Chairman
		Mr. Bimal R. Thakkar – Managing Director
		Mr. Bhavesh R. Thakkar – Executive Director and Chief Financial Officer
		Ms. Shalaka Ovalekar – Company Secretary
4.	Relative of key managerial personnel	Mr. Mishal A. Thakkar – Manager
		Mrs. Mahalaxmi R. Thakkar (Relative of Mr. Bimal R. Thakkar)
5.	Some of the Directors of the Company are related to the Directors of the said Private Limited Company	M.H. Foods Pvt. Limited

₹ In lacs

Particulars	Financial Year	Direct Subsidiaries	Indirect Subsidiaries	Key Managerial Personnel	Relatives of Key managerial personnel	Some of the Directors of the Company are the related to the Directors of the said Private Company	Total
Other Income	2014-15	-	11.10	-	-	-	11.10
	2013-14	-	15.62	-	-	-	15.62
Sale of goods	2014-15	187.23	-	-	-	-	187.23
	2013-14	240.83	19.38	-	-	-	260.21
Other expenses charged by the company	2014-15	-	-	-	-	0.33	0.33
	2013-14	-	-	-	-	0.82	0.82
Salary	2014-15	-	-	154.74	9.82	-	164.56
	2013-14	-	-	125.20	7.95	-	133.15
Rent	2014-15	-	-	-	0.50	-	0.50
	2013-14	-	-	-	0.50	-	0.50
Investment in ADF Foods (UK) Limited	2015-14	135.20	-	-	-	-	135.20
	2013-14	1,017.20	-	-	-	-	1,017.20

**Balances outstanding at the end of the year:**

Particulars	Financial Year	Direct Subsidiaries	Indirect Subsidiaries	Key Managerial Personnel	Relatives of Key managerial personnel	Some of the Directors of the Company are the related to the Directors of the said Private Company	Total
Non-current investments	2014-15	1,831.29	-	-	-	-	1,831.29
	2013-14	1,696.09	-	-	-	-	1,696.09
Long-term loans and advances	2014-15	-	-	12.00	-	-	12.00
	2013-14	-	-	12.50	-	-	12.50
Trade receivable	2014-15	45.59	-	-	-	-	45.59
	2013-14	96.14	-	-	-	-	96.14
Short- term loans and advances	2014-15	2,355.29	39.17	-	-	-	2,394.46
	2013-14	880.37	27.23	-	-	-	907.60

**Material related party transactions as under:**

		2014-15	2013-14
Other income	ADF Foods (USA) Limited	11.10	15.62
Sale of goods	ADF Foods (India) Limited	187.23	240.83
	ADF Foods (USA) Limited	-	19.38
Other expenses charged by the company	M.H. Foods Pvt. Limited	0.33	0.82
Salary	Mr. Ramesh H. Thakkar	-	23.60
	Mr. Ashok H. Thakkar	46.47	34.46
	Mr. Bimal R. Thakkar	46.47	33.58
	Mr. Bhavesh R. Thakkar	46.47	33.56
	Ms. Shalaka Ovalekar	15.33	-
	Mr. Mishal R. Thakkar	9.82	7.95
Rent	Mrs. Mahalaxmi R. Thakkar	0.50	0.50
Non-current investments	ADF Foods (UK) Limited	1,826.29	1,691.09
Long-term loans and advances	Mrs. Mahalaxmi R. Thakkar	12.00	12.50
Trade receivable	ADF Foods (India) Limited	45.59	96.14
Short- term loans and advances	ADF Foods (UK) Limited	2,355.29	880.37
	ADF Foods (USA) Limited	38.18	26.28

## 10. Financial and derivative instruments

### i) Outstanding derivative instruments

Contracts entered into by the Company for hedging in US \$ and outstanding as on 31<sup>st</sup> March 2015 amount to US \$ 85.00 lacs (Previous Year US \$ 82.50 lacs), equivalent to ₹ 5,568.63 lacs (Previous Year: ₹ 5,307.04 lacs).

Contracts entered into by the Company for hedging in UK £ and outstanding as on 31<sup>st</sup> March 2015 amount to UK £ 20.00 lacs (Previous Year UK £ 19.00 lacs), equivalent to ₹ 2,110.82 lacs (Previous Year: ₹ 1,973.81 lacs).

All contracts entered by the Company are for hedging of exposures against receivables.

The Company has not entered into any derivative instruments for trading or speculative purpose.

All outstanding forward contracts are recognized in the financial statements at fair value as on the balance sheet date in accordance with the requirements of AS 30.

Accordingly, the resultant gain or loss on fair valuation / settlement of the outstanding forward contracts are recognized in the Statement of Profit and Loss or Balance Sheet as the case may be after applying the test of hedge effectiveness. Where the hedge is effective, the gains or losses are recognized in the "Hedging Reserve" which forms part of "Reserves and Surplus" in the Balance Sheet" and where the hedge is ineffective, the same is recognized in the Statement of Profit and Loss. The amount recognized in the "Hedging Reserve" is transferred to Statement of Profit and Loss in the period in which the underlying Hedge item affects the Statement of Profit and Loss.

### ii) Unhedged foreign currency exposures

Foreign currency exposures on account of trade receivables / trade payables and packing credit foreign currency (PCFC) loan not hedged by derivative instruments are as follows:

#### a) Trade and other receivables

₹ In lacs

Foreign currency	2014-15		2013-14	
	Amount (in original currency)	Amount	Amount (in original currency)	Amount
USD	67.63	4,230.07	24.57	1,494.70
GBP	12.31	1,143.72	21.01	2,102.51
EURO	0.55	37.16	0.22	17.98

#### b) Trade payable

₹ In lacs

Foreign currency	2014-15		2013-14	
	Amount (in original currency)	Amount	Amount (in original currency)	Amount
USD	0.67	42.02	1.14	68.79
GBP	0.54	49.94	0.14	13.93

#### c) Packing credit foreign currency (PCFC) loan

₹ In lacs

Foreign currency	2014-15		2013-14	
	Amount (in original currency)	Amount	Amount (in original currency)	Amount
USD	0.95	59.26	7.68	461.87

#### d) EEFC balance

₹ In lacs

Foreign currency	2014-15		2013-14	
	Amount (in original currency)	Amount	Amount (in original currency)	Amount
USD	68.00	425.67	4.60	276.47
GBP	2.27	209.83	1.80	179.73

## 11. Disclosures required under Accounting Standard 15 (Revised) "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below

### a) Defined contribution plans

Amount of ₹ 73.68 lacs (Previous Year ₹ 62.97 lacs) representing contribution to provident fund is recognized as an expense and is included in "Employee benefits expenses" in the Statement of Profit and Loss.

Amount of ₹ 7.05 lacs (Previous Year ₹ 7.60 lacs) representing contribution to Employee State Insurance scheme is recognized as an expense and is included in "Employee benefits expenses" in the Statement of Profit and Loss.

**b) Defined benefit plan**

**Compensated absence**

Provision for compensated absences is made for outstanding leave balance at the year end at basic salary cost which can be utilized in future and are en-cashable. Amount of ₹ 38.84 lacs (Previous Year: ₹ 35.48 lacs) has been recognized in balance sheet of which ₹ 29.13 lacs (Previous Year: ₹ 26.61 lacs) shown under long term provision and balance ₹ 9.71 lacs (Previous Year: ₹ 8.87 Lacs) is shown under short term provision as given in the Actuarial report as on 31st March 2015.

Expenses of ₹ 34.19 lacs (Previous Year: ₹ 28.65 lacs) are recognized in the Statement of Profit and Loss.

**Compensated sick leave**

Provision for compensated absences is made for outstanding sick leave balance at the year end at gross salary which can be utilized in future and are en-cashable. Amount of ₹ 4.87 lacs (Previous Year: ₹ 3.48 lacs) has been recognized in balance sheet of which ₹ Nil (Previous Year: ₹ Nil) shown under long term provision and balance ₹ 4.87 lacs (Previous Year: ₹ 3.48 lacs) is shown under short term provision as given in the Actuarial report as on 31st March 2015.

**Gratuity**

**Funded**

The Company has offered its employees defined benefit plan in the form of Group Gratuity Scheme. Gratuity Scheme covers all qualifying employees as statutorily required under the Payment of Gratuity Act, 1972. The Company has made irrevocable contribution of funds to LIC of India.

The present value of the defined benefit obligation and the related current service cost is measured using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

The Present value of the obligation on 31st March 2015 of ₹ Nil (Previous Year: ₹ 9.52 lacs) pertaining to funded gratuity [(net of fund value of ₹ 130.21 lacs (Previous Year: ₹ 100.21 lacs)] payable to employees is shown under short-term provision.

**Unfunded**

There being no short term liability in respect of unfunded gratuity provision, the entire amount of ₹ 92.26 lacs (Previous Year ₹ 78.15 lacs) is shown under long-term provision.

The present value of the defined benefit obligation and the related current service cost is measured using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

₹ In lacs

		Gratuity (funded and unfunded)	
		2014-15	2013-14
<b>I</b>	<b>Change in benefit obligation</b>		
	Liability at the beginning of the year	187.87	187.98
	Interest cost	15.03	17.14
	Current service cost	24.22	25.04
	Benefit paid	(2.17)	(19.48)
	Benefit paid directly by Company	-	33.00
	Actuarial (gain) / loss on obligations	(2.49)	10.20
	Liability at the end of the year	222.46	187.88
<b>II</b>	<b>Fair value of plan assets</b>		
	Fair value of plan assets at the beginning of the year	100.20	100.79
	Actual return on plan assets	9.98	8.83
	Employer's Contributions	22.19	10.07
	Benefit paid	(2.17)	(19.48)
	Fair value of plan assets at the end of the year	130.21	100.21
<b>III</b>	<b>Amount recognised in the balance sheet</b>		
	Liability at the end of the year	222.46	187.88
	Fair value of plan assets at the end of the year	130.21	100.21
	Present value of unfunded obligations	92.26	87.67

		Gratuity (funded and unfunded)	
		2014-15	2013-14
<b>IV</b>	<b>Expenses recognised in the Statement of Profit and Loss</b>		
	Current service cost	24.22	25.04
	Interest cost	15.03	17.14
	Actual return on plan assets	(9.98)	(8.83)
	Net actuarial (gain) / loss to be recognized	2.49	10.19
	Expense recognised in Statement of Profit and Loss	26.78	43.54
<b>V</b>	<b>Actuarial assumptions :</b>		
	Discount rate	8.00%	9.12%
	Rate of return on plan assets	9.96%	8.76%
	Salary escalation	6.00%	8.00%

Under long-term provisions ₹ 92.26 lacs (Previous Year ₹ 78.15 lacs) (Refer Note no: 6) and under short-term provisions ₹ Nil (Previous Year ₹ 9.52) (Refer Note 10).

### Experience Adjustments for the current and previous four years

₹ In lacs

Experience	2014-15	2013-14	2012-13	2011-12	2010-11
Defined Benefit Obligation	277.67	187.88	187.98	172.59	121.03
Plan Assets	130.21	100.21	100.79	87.05	-
Status [ Surplus / (Deficit)]	(92.26)	(87.67)	(87.19)	(85.54)	-
Experience Adjustments of Obligation [(Gain)/Loss]	(2.49)	(22.80)	(14.31)	28.46	4.92
Experience on Plan Assets [Gain/(Loss)]	1.96	0.76	1.38	(0.61)	-

### 12. Computation of earnings per share

	2014-15	2013-14
Basic earnings per share:		
Number of shares at the beginning of the year	2,20,00,000	2,20,00,000
Issued during the year	-	-
Number of shares at the end of the year	2,20,00,000	2,20,00,000
Number of shares (basic weighted average)	2,20,00,000	2,20,00,000
Profit for the year (₹ in lacs)	₹ 1,460.26	₹ 1,244.88
Basic earnings per share (weighted average)	6.64	5.66
Number of shares (diluted)	2,20,00,000	2,20,00,000
Diluted earnings per Share (weighted average)	6.64	5.66

### 13. Value of Imported and indigenous raw materials and packing materials consumed

#### Raw materials

₹ In lacs

	2014-15		2013-14	
	Amount	% of Consumption	Amount	% of Consumption
Imported	88.83	1.83	106.26	2.61
Indigenous	4,762.35	98.17	3,967.52	97.39
<b>Total</b>	<b>4,851.18</b>	<b>100.00</b>	<b>4,073.78</b>	<b>100.00</b>

#### Packing materials

₹ In lacs

	2014-15		2013-14	
	Amount	% of Consumption	Amount	% of Consumption
Imported	55.21	2.67	136.38	7.46
Indigenous	2,016.05	97.33	1,690.71	92.54
<b>Total</b>	<b>2,071.26</b>	<b>100.00</b>	<b>1,827.09</b>	<b>100.00</b>

#### 14. Value of Imports Calculated on C.I.F basis

₹ In lacs

	2014-15	2013-14
Raw materials and packing materials	112.20	282.94
Traded goods	28.67	-
Capital goods	33.41	116.71
Others	-	0.93
<b>Total</b>	<b>174.28</b>	<b>400.58</b>

#### 15. Expenditure in foreign currency

₹ In lacs

	2014-15	2013-14
Travelling	165.92	117.03
Advertisement	2.31	90.13
Legal and professional fees	49.32	122.96
Business promotion	305.66	360.24
Sales commission and claims	175.91	139.86
Others	1.32	14.03
<b>Total</b>	<b>700.44</b>	<b>844.25</b>

#### 16. Remittance in foreign currency on account of dividend

During the year, the Company has not made any remittance in foreign Currency on account of dividend payable to its Non Resident Shareholders. However the details of dividend paid to the Non Resident Shareholders during the financial year is given below.

Particulars	Dividend of 2013-14	Dividend of 2012-13
No. of non-resident Share holders	103	84
No. of shares held by them	1,91,495	28,18,413
Amount of dividend (15 % i.e. ₹ 1.50 Per Share)	2,87,243	42,27,620

#### 17. Earnings in Foreign Currency (accrual basis)

₹ In lacs

	2014-15	2013-14
F.O.B. Value of Exports	12,696.18	11,699.04
Others	11.10	15.62

18. The Company is engaged mainly in the business of manufacturing and exporting food products like pickles, chutneys, ready to eat items, paste and sauces, frozen foods, spices, etc. local and overseas, which is the only business segment of the Company. The local turnover being less than 10% of the total turnover of the Company, separate geographical segment information has not been given in the financial statements. Hence there are no separate reportable segments, as required by the Accounting Standard 17 on "Segment Reporting" notified under the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of The Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 issued by the Ministry of Corporate Affairs.

19. The Company held majority share holding in Power Brands (Foods) Private Limited ('PBFPL'). It presently holds 2,08,85,992 fully paid Equity Shares of ₹ 10/- each (including 20,75,992 Equity Shares acquired at ₹ 330.08 lacs in Financial Year 2012-13). PBFPL is presently under voluntary liquidation process.

Pursuant to a special resolution passed on November 5, 2012 by its members, PBFPL went into the members' voluntary liquidation. In the course of liquidation process, the voluntary liquidator, with the prior approval of the members vide their special resolution dated March 8, 2013, distributed PBFPL's intangible asset - Ashoka brand and part of cash and bank balance to its Shareholders in proportion to their respective shareholding in PBFPL while retaining certain other fixed and current assets to meet its contingent and other liabilities.

By virtue of the above distribution, the Company received Ashoka brand in the financial year 2012-13 (valued at ₹ 2,935.99 lacs by an independent valuer) in lieu of its investment in PBFPL's equity shares of ₹ 2,211.08 lacs. Accordingly, the Company capitalised the said brand in its books at ₹ 2,935.99 lacs in the said financial year after adjusting the same against the investment value of ₹ 2,211.08 lacs and carried the balance of ₹ 724.91 lacs to the credit of the Statement of Profit and Loss as an exceptional item in that year.

During the current Financial Year, the voluntary liquidator, with the prior approval of the members vide their special resolution dated 10<sup>th</sup> November 2014, distributed PBFPL's immovable property situated at Sewree, Mumbai and part of cash and bank balance to its Shareholders in proportion to their respective share holding in PBFPL while retaining certain other current assets to meet with its contingent and other liabilities. The excess value of assets so received over the investment value in Equity Shares of PBFPL has been accounted for in the Company's Statement of Profit & Loss under the head exceptional item.

Consequently, the investment in Equity Shares of PBFPL stand fully realised. However, pending completion of liquidation process, the Company has not surrendered the said shares to the Voluntary liquidator and they have been shown under the head "Investment" at nil value.

20. The Corresponding figures and details pertaining to the Previous Year have been traced from the Financial statements for the year ended March 31, 2014 audited solely by one of the current joint auditors vide their report dated May 28, 2014.
21. Previous Year's figures have been regrouped / restated wherever necessary to conform to current year's classification.
22. Figures have been rounded off to the nearest lacs.

**As per our report of even date**

For **D.P. Ghevaria & Co.**  
Chartered Accountants  
Firm's Registration Number 103176W

**D.P. Ghevaria**  
Proprietor, Membership Number 032431

**For Kalyaniwalla & Mistry**  
Chartered Accountants  
Firm Registration Number 104607W

**Farhad M. Bhesania**  
Partner, Membership Number 127355

Place: Mumbai  
Date: 28th May 2015

**For and on behalf of the Board**

**Ashok H. Thakkar**  
Chairman,  
DIN: 00087465

**Bhavesh R. Thakkar**  
Executive Director & C.F.O.  
DIN: 00939805

Place: Mumbai  
Date: 28th May 2015

**Bimal R. Thakkar**  
Managing Director & C.E.O.,  
DIN: 00087404

**Shalaka Ovalekar**  
Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

₹ In lacs

Particulars	31-Mar-15	31-Mar-14
<b>A. Cash Flow from Operating Activities</b>		
<b>Profit before Taxation</b>	<b>2,076.00</b>	<b>1,799.52</b>
<b>Adjustment for:</b>		
Depreciation and amortisation	732.37	732.72
Loss on sale / write off of Fixed Assets	29.38	4.18
Finance cost	95.18	113.65
Provision for doubtful trade receivables	12.93	-
Unrealised exchange loss	12.38	33.03
Interest income	(54.50)	(178.88)
Dividend income	(0.36)	(0.65)
Net (gain) on sale of investments	(162.45)	(170.71)
Exceptional item - Net (gain) on sale of investment property	(174.63)	-
Provision for estimated losses on onerous contracts	92.31	26.66
<b>Operating Profit before working capital changes</b>	<b>2,658.61</b>	<b>2,359.52</b>
<b>Adjustment for:</b>		
Increase / (Decrease) in Non-Current Liabilities	(8.38)	5.58
Increase / (Decrease) in Current Liabilities	8.84	466.14
(Increase) / Decrease in Non-Current Assets	(4.66)	20.87
(Increase) / Decrease in Current Assets	(2,444.67)	(123.10)
	<b>209.74</b>	<b>2,729.01</b>
Taxes Paid (Net)	(512.34)	(470.83)
<b>Net Cash Flow from / (used in) Operating Activities (A)</b>	<b>(302.60)</b>	<b>2,258.18</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(1,133.24)	(1,093.61)
Sale of Fixed Assets	18.05	1.14
Proceeds from refund of Inter-corporate deposits	875.00	150.00
Fixed Deposits placed with banks	446.78	372.90
Purchase of mutual funds	(600.00)	(1,000.00)
Redemption of mutual funds	2,062.45	2,020.71
Purchase of Non-current Investments	(135.20)	(1,017.20)
Exceptional item - proceeds from disposal of investment property	174.63	-
Dividend Received	0.36	0.65
Interest received	81.00	185.85
<b>Net Cash Flow from/ (used in) Investing Activities (B)</b>	<b>1,789.83</b>	<b>(379.56)</b>



Particulars	31-Mar-15	31-Mar-14
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from long-term borrowings	44.18	(4.64)
Repayment of other short-term borrowings	(821.32)	(1,021.80)
Finance cost	(95.18)	(113.65)
Dividends paid	(330.00)	(330.00)
Tax on dividend	(56.08)	(56.10)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(1,258.40)</b>	<b>(1,526.19)</b>
<b>Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>228.83</b>	<b>352.43</b>
<b>CASH AND CASH EQUIVALENTS:</b>		
AS AT THE BEGINNING	508.23	155.80
AS AT THE ENDING		
Cash and Bank Balances	745.55	478.92
Unrealised Foreign Exchange Restatement in Cash and cash Equivalents	(8.49)	29.31
<b>Cash and Cash Equivalents - Closing Balance</b>	<b>737.06</b>	<b>508.23</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>228.83</b>	<b>352.43</b>
<b>Notes:</b>		
I. Cash and Cash Equivalents:	994.93	1,206.64
Less: Other Bank Balances	(257.87)	(698.41)
<b>Cash and Cash Equivalents.</b>	<b>737.06</b>	<b>508.23</b>
2. The cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on 'Cash Flow Statement' and presents cash flows by operating, investing and financing activities.		
3. Figures for the Previous Year have been regrouped/ restated wherever necessary to conform to current year's classification.		

**As per our report of even date**

For **D.P. Ghevaria & Co.**  
Chartered Accountants  
Firm's Registration Number 103176W

**D.P. Ghevaria**  
Proprietor, Membership Number 032431

**For Kalyaniwalla & Mistry**  
Chartered Accountants  
Firm Registration Number 104607W

**Farhad M. Bhesania**  
Partner, Membership Number 127355

Place: Mumbai  
Date: 28th May 2015

**For and on behalf of the Board**

**Ashok H. Thakkar**  
Chairman,  
DIN: 00087465

**Bhavesh R. Thakkar**  
Executive Director & C.F.O.  
DIN: 00939805

Place: Mumbai  
Date: 28th May 2015

**Bimal R. Thakkar**  
Managing Director & C.E.O.,  
DIN: 00087404

**Shalaka Ovalekar**  
Company Secretary

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

### I. REGISTRATION DETAILS

Registration No.	1 4 2 6 5	State Code	0 4
Balance Sheet Date	3 1 - 0 3 - 1 5		

### II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN ₹ THOUSANDS)

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil
Conversion of Bonds	Nil	Warrants	Nil

### III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN ₹ THOUSANDS)

<b>TOTAL OF EQUITY AND LIABILITIES</b>	2,083,769	<b>ASSETS</b>	2,083,769
Share capital	223,783	Fixed assets	774,866
Reserves and surplus	1,534,210	Non-current investments	183,129
Long-term borrowing	4,725	Long-term loans and advances	21,352
Deferred tax liabilities (net)	73,822	Current investments	80,000
Other long term liabilities	-	Inventories	235,991
Long-term provisions	12,139	Trade receivables	308,252
Short-term borrowings	68,567	Cash and bank balances	99,493
Trade payables	73,897	Short-term loans and advances	380,686
Other current liabilities	50,494		
Short-term provisions	42,132		

### IV. PERFORMANCE OF COMPANY (AMOUNT IN ₹ THOUSANDS)

Turnover	1,563,465	Total Expenditure	1,373,328
Profit Before Tax	207,600	Profit After Tax	146,026
Earning per share in ₹	6.64	Dividend %	15%

### V. GENERIC NAMES OF PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY (AS PER MONETARY TERMS)

ITEM CODE NO. (ITC CODE)	PRODUCT DESCRIPTION
2005	Other vegetables, preserved or otherwise than by vinegar.
2006	Fruits, nuts, fruitpeel & other products, preserved by sugar.
0904	Pepper of genus piper dried or crushed or the genus pimenta.

**INDEPENDENT AUDITOR'S REPORT****To the Members of ADF Foods Limited  
Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of ADF Foods Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2015 and its consolidated profits and its consolidated cash flows for the year ended on that date.

**Emphasis of Matter**

We draw attention to the following matter in the Notes to the consolidated financial statements:

Note 11 (b) to the financial statements, consequent to Schedule II to the Companies Act, 2013 becoming applicable with effect from April 01, 2014, depreciation for the year ended March 31, 2015 has been provided on the basis of the useful lives as prescribed in Schedule II. This has resulted in the depreciation expenses for year ended March 31, 2015 being higher by ₹ 23.58 lacs. Depreciation of ₹ 91.73 lacs (net of Deferred Tax) on account of assets whose useful life is already exhausted as on April 01, 2014, has been adjusted to opening balance of retained earnings.

Our opinion is not modified in respect of this matter.

## Other Matters

We did not audit the financial statements/ financial information of three subsidiaries, whose financial statements/ financial information reflect the total assets of ₹ 3,571.88 lacs as at March 31, 2015, the total revenues of ₹ 5,342.60 lacs and net cash outflows amounting to ₹ 40.17 lacs for the year ended March 31, 2015 as considered in the preparation of the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' report of the Holding Company and subsidiary company, incorporated in India to whom the provisions of the Order apply (together hereinafter referred to as "Group Companies incorporated in India"), we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. The Holding Company was required to spend an amount of ₹ 31.83 lacs being 2% of the average net profits of the three immediately preceding financial years on Corporate Social Responsibility as per the provisions of section 135 of the Companies Act, 2013. The Holding Company has not spent any amount towards CSR expenses during the year.
3. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group companies, is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's report of its subsidiary companies:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 28 (5)(a) to the consolidated financial statements.
    - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company incorporated in India. There were no amounts required to be transferred to the Investor Education and Protection Fund by the subsidiary Company incorporated in India.

**For D. P. GHEVARIA & CO**  
**CHARTERED ACCOUNTANTS**  
 Firm Registration No.103176W

**D. P. GHEVARIA**  
**PROPRIETOR**  
 Membership No. 032431

Place: Mumbai  
 Dated: May 28, 2015

**For KALYANIWALLA & MISTRY**  
**CHARTERED ACCOUNTANTS**  
 Firm Registration No. 104607W

**FARHAD M. BHESANIA**  
**PARTNER**  
 Membership No. 127355

Place: Mumbai  
 Dated: May 28, 2015

## Annexure to Independent Auditors' Report

**Annexure referred to in paragraph I of our report under the heading "Report on Other Legal and Regulatory Requirements" of even date on the consolidated financial statements of the Company for the year ended March 31, 2015.**

1. (a) The Group companies incorporated in India have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, all fixed assets have not been physically verified by the management during the year but there is a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Group companies incorporated in India and the nature of their assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
2. (a) The inventory, except stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies reported on such verification were not material and have been properly dealt with in the books of account. In respect of inventories lying with third parties, written confirmations have been obtained.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Group companies incorporated in India and the nature of its business.
- (c) On the basis of our examination of the inventory records, we are of the opinion that the Group companies incorporated in India are maintaining proper records of inventory. The discrepancies noticed on verification of inventory as compared to book records were not material in relation to the operations of the Group and have been properly dealt with in the books of account.
3. The Group companies incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of sub-clause (a) and (b) of paragraph 3(iii) of the Order are not applicable to the Group companies incorporated in India for the current year.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Group companies incorporated in India and the nature of their business for the purchase of inventory and fixed assets and for the sale of goods. The activities of the Group companies incorporated in India do not involve sale of services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in the internal control system.
5. In our opinion and according to the information and explanations given to us, the Group companies incorporated in India have not accepted any deposits from the public.
6. According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under section 148 (1) of the Act, for any of the activities of the Group companies incorporated in India.
7. a) According to the information and explanations given to us and on the basis of the records examined by us, the Group companies incorporated in India are generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no undisputed dues, payable in respect of above as at March 31, 2015 for a period of more than six months from the date on which they became payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess outstanding on account of any dispute, other than the following:

Sr. No.	Name of the Statute	Amount	Period to which the amount relates	Forum where dispute is pending
1	Finance Act, 1994.	433.01	F.Y. 2006-2007 to F.Y. 2010-2011	CESTAT
2	Income Tax Act, 1962.	81.70	F.Y. 2011-12	Commissioner of Income-Tax (Appeals), Vadodara
- c) According to the information and explanations given to us, the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time by the Holding Company. There were no amounts required to be transferred to the Investor Education and Protection Fund by the subsidiary Company incorporated in India.
8. The Holding Company does not have accumulated losses as at the end of the financial year, nor has it incurred cash losses in the current financial year or in the immediately preceding financial year. However, its subsidiary company incorporated in India has accumulated losses at the end of the financial year exceeding fifty percent of its net worth. It has however, not incurred cash losses during the current or preceding financial year.

9. According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to banks. There are no dues to financial institutions or debenture holders.
10. In our opinion and according to the information and explanations given to us, the Group companies incorporated in India has not given any guarantee for loans taken by others from banks and other financial institutions.
11. In our opinion and according to the information and explanations given to us, the term loan obtained by the Group companies incorporated in India was applied for the purpose for which the loan was obtained.
12. Based upon the audit procedures performed and the information and explanations given by the Management and the report of the auditor of the Group Companies incorporated in India, no material fraud on, or by the Group companies incorporated in India has been noticed or reported during the year.

**For D. P. GHEVARIA & CO  
CHARTERED ACCOUNTANTS**

Firm Registration No. 103176W

**D. P. GHEVARIA  
PROPRIETOR**

Membership No. 032431

Place: Mumbai

Dated: May 28, 2015

**For KALYANIWALLA & MISTRY  
CHARTERED ACCOUNTANTS**

Firm Registration No. 104607W

**FARHAD M. BHESANIA  
PARTNER**

Membership No. 127355

Place: Mumbai

Dated: May 28, 2015

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015**

Particulars	Note No.	As at 31-Mar-15 ₹ in lacs	As at 31-Mar-14 ₹ in lacs
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	1	2,237.83	2,237.83
(b) Reserves and surplus	2	13,059.46	12,561.50
<b>Sub total-Shareholders' Funds</b>		<b>15,297.29</b>	<b>14,799.33</b>
<b>Non- current liabilities</b>			
(a) Long term borrowings	3	207.46	674.10
(b) Deferred tax liabilities (net)	4	738.22	708.40
(c) Other long term liabilities	5	-	25.00
(d) Long term provisions	6	121.63	104.76
<b>Sub total-Non Current Liabilities</b>		<b>1,067.31</b>	<b>1,512.26</b>
<b>Current Liabilities</b>			
(a) Short term borrowings	7	685.67	1,507.09
(b) Trade payables	8	1,032.56	1,285.08
(c) Other current liabilities	9	1,667.41	1,145.41
(d) Short term provisions	10	421.36	463.07
<b>Sub total-Current Liabilities</b>		<b>3,807.00</b>	<b>4,400.65</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>20,171.60</b>	<b>20,712.24</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets	11		
(i) Tangible assets		5,404.88	4,063.75
(ii) Intangible assets		3,909.52	3,932.31
(iii) Capital work in progress		169.12	850.50
<b>Sub total-Fixed Assets</b>		<b>9,483.52</b>	<b>8,846.56</b>
(b) Non-current investments	12	0.15	0.15
(c) Deferred tax assets (net)	13	1,042.17	618.20
(d) Long term loans and advances	14	256.29	228.88
(e) Other non current assets	15	-	6.24
<b>Sub total-Non Current Assets</b>		<b>10,782.13</b>	<b>9,700.03</b>
<b>Current assets</b>			
(a) Current investments	16	800.00	2,100.00
(b) Inventories	17	2,771.33	2,783.71
(c) Trade receivables	18	3,256.28	3,016.53
(d) Cash and bank balances	19	1,086.53	1,255.85
(e) Short term loans and advances	20	1,475.33	1,856.12
<b>Sub total-Current Assets</b>		<b>9,389.47</b>	<b>11,012.21</b>
<b>TOTAL ASSETS</b>		<b>20,171.60</b>	<b>20,712.24</b>
<b>Significant accounting policies</b>	28(3)		

The accompanying notes 1 to 28 form an integral part of the financial statements Signatures to the Balance Sheet and Notes to the financial statements

As per our report of even date

For **D.P. Ghevaria & Co.**  
Chartered Accountants  
Firm's Registration Number 103176W

**D.P. Ghevaria**  
Proprietor, Membership Number 032431

For **Kalyaniwalla & Mistry**  
Chartered Accountants  
Firm Registration Number 104607W

**Farhad M. Bhesania**  
Partner, Membership Number 127355

Place: Mumbai  
Date: 28th May 2015

For and on behalf of the Board

**Ashok H. Thakkar**  
Chairman,  
DIN: 00087465

**Bhavesh R. Thakkar**  
Executive Director & C.F.O.  
DIN: 00939805

Place: Mumbai  
Date: 28th May 2015

**Bimal R. Thakkar**  
Managing Director & C.E.O.,  
DIN: 00087404

**Shalaka Ovalekar**  
Company Secretary

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

Particulars	Note No.	As at 31-Mar-15 ₹ in lacs	As at 31-Mar-14 ₹ in lacs
Revenue from operations (gross)	21	20,455.12	20,887.06
Less: Excise duty		75.10	123.01
Revenue from operations (net)		20,380.02	20,764.05
Other Income	22	706.79	398.46
<b>Total Revenue</b>		<b>21,086.81</b>	<b>21,162.51</b>
<b>Expenses</b>			
(a) Cost of material consumed	23 (a)	8,914.07	8,554.92
(b) Purchase of traded goods	23 (b)	959.08	799.36
(c) Increase in inventories of finished goods, work-in-progress and traded goods	23 (c)	(93.05)	(211.98)
(d) Employee benefits expenses	24	2,569.24	2,721.94
(e) Finance cost	25	138.68	172.66
(f) Depreciation and amortisation expenses	26	1,136.48	1,117.84
(g) Other expenses	27	6,468.20	7,307.43
<b>Total expenses</b>		<b>20,092.70</b>	<b>20,462.17</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>994.11</b>	<b>700.34</b>
Exceptional items (Refer Note 28 (19))		174.63	-
<b>Profit before tax</b>		<b>1,168.74</b>	<b>700.34</b>
Tax expenses			
(a) Current tax		576.71	475.82
(b) MAT Credit		(6.89)	-
(c) Deferred tax	5	(246.90)	(252.82)
(d) Prior Year's Tax Adjustment		(37.88)	-
		<b>285.04</b>	<b>223.00</b>
<b>Profit after tax before minority interest</b>		<b>883.70</b>	<b>477.34</b>
Minority interest		-	(87.56)
<b>Profit after minority interest</b>		<b>883.70</b>	<b>564.90</b>
<b>Earnings per share (of ₹ 10/- each):</b>	<b>28 (14)</b>		
(a) Basic & Diluted		4.02	2.17

The accompanying notes 1 to 28 form an integral part of Signatures to the Profit and Loss and Notes to the financial statements the financial statements

As per our report of even date

For **D.P. Ghevaria & Co.**  
Chartered Accountants  
Firm's Registration Number 103176W

**D.P. Ghevaria**  
Proprietor, Membership Number 032431

For **Kalyaniwalla & Mistry**  
Chartered Accountants  
Firm Registration Number 104607W

**Farhad M. Bhesania**  
Partner, Membership Number 127355

Place: Mumbai  
Date: 28th May 2015

For and on behalf of the Board

**Ashok H. Thakkar**  
Chairman,  
DIN: 00087465

**Bhavesh R. Thakkar**  
Executive Director & C.F.O.  
DIN: 00939805

Place: Mumbai  
Date: 28th May 2015

**Bimal R. Thakkar**  
Managing Director & C.E.O.,  
DIN: 00087404

**Shalaka Ovalekar**  
Company Secretary



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Amounts in the financial statements are presented in ₹ lacs, except for per share data and otherwise stated.

### Note 1

Share Capital	31-Mar-15 ₹ in lacs	31-Mar-14 ₹ in lacs
<b>Authorised shares</b>		
2,50,00,000 (Previous Year 2,50,00,000) Equity shares of ₹ 10/- each	<u>2,500.00</u>	<u>2,500.00</u>
<b>Issued and subscribed</b>		
2,20,00,000 (Previous Year 2,20,00,000) Equity shares of ₹ 10/- each	<u>2,200.00</u>	<u>2,200.00</u>
<b>Paid Up</b>		
2,20,00,000 (Previous Year 2,20,00,000) Equity shares of ₹ 10/- each	2,200.00	2,200.00
<b>Shares Forfeited</b>		
7,56,600 (Previous Year 7,56,600) Equity Shares of ₹ 10/- each; amount originally paid up there on @ ₹5 per share.	37.83	37.83
<b>Total</b>	<u><u>2,237.83</u></u>	<u><u>2,237.83</u></u>

#### a. Reconciliation of number of shares:

	31-Mar-15		31-Mar-14	
	No. of shares	₹ in lacs	No. of shares	₹ in lacs
Number of shares outstanding at the beginning of the year	22,000,000	2,200	22,000,000	2,200
Number of shares outstanding at the end of the year	<u>22,000,000</u>	<u>2,200</u>	<u>22,000,000</u>	<u>2,200</u>

#### Of the above:

- 50,00,490 (Previous Year 50,00,490) Equity shares were allotted to the shareholders of the erstwhile Lustre Investments Private Limited, for consideration other than cash pursuant to a Scheme of Amalgamation
- 26,50,000 (Previous Year 26,50,000) Equity shares were issued on preferential basis to investors.
- 43,26,110 (Previous Year 43,26,110) Equity shares were issued on conversion of preferential warrants. Out of these, 2,00,000 Equity shares carry restriction on transfer for a period of three years from the date of their issue i.e. upto 27th March 2015 and 18,00,000 Equity shares carry restriction on transfer for a period of three years from the date of issue i.e. upto 22nd January, 2016.

#### b. Terms/rights attached to Equity shares

The Company has only one class of shares referred to as Equity shares having a par value of ₹ 10/-. Each holder of Equity share is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

The Board of Directors, in their board meeting held on 28th May 2015, proposed a dividend of ₹ 1.50 per Equity share. The total dividend appropriation for the year ended 31st March 2015 amounted to ₹ 330.00 lacs including corporate dividend tax of ₹ 67.18 lacs. The proposal is subject to approval of the shareholders at the Annual General Meeting.

During the year ended 31st March 2015, amount of dividend per share distributed to Equity share holders was ₹ 1.50 for the year ended 31st March 2014. The total dividend appropriation for the year ended 31st March 2014 amounted to ₹ 386.08 lacs including corporate dividend tax of ₹ 56.08 lacs.

In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to their shareholding.

#### c. Details of shareholders holding more than 5% shares of the Company

Class of shares / name of shareholder	31-Mar-15		31-Mar-14	
	No. of shares held	% holding	No. of shares held	% holding
Credit Renaissance fund, Limited	-	0.00%	2,199,700	10.00%
Mr. Ashok H. Thakkar	1,836,354	8.35%	1,836,354	8.35%
Top Class Capital Markets Pvt. Ltd.	1,587,535	7.22%	1,752,859	7.97%
Mr. Bimal R. Thakkar	2,201,074	10.00%	1,271,074	5.78%
Mr. Bhavesh R. Thakkar	1,176,450	5.35%	1,176,450	5.35%
Mr. Mishal A. Thakkar	1,821,098	8.28%	1,821,098	8.28%
Mrs. Mahalaxmi R. Thakkar	1,958,022	8.90%	1,958,022	8.90%
<b>Total</b>	<u><u>10,580,533</u></u>	<u><u>48.10%</u></u>	<u><u>12,015,557</u></u>	<u><u>54.63%</u></u>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

**Note 2**

Reserves and Surplus	31-Mar-15 ₹ In lacs	31-Mar-14 ₹ In lacs
<b>Capital Reserve</b>		
As per last Balance Sheet	105.00	105.00
Closing balance	<b>105.00</b>	<b>105.00</b>
<b>Securities Premium Reserve</b>		
As per last Balance Sheet	5,934.33	5,934.33
Closing balance	<b>5,934.33</b>	<b>5,934.33</b>
<b>General Reserve</b>		
As per last Balance Sheet	638.97	548.97
Addition during the year	125.00	90.00
Closing balance	<b>763.97</b>	<b>638.97</b>
<b>Hedging Reserve</b>		
As per last Balance Sheet	168.20	141.54
Addition during the year	92.31	26.66
Closing balance	<b>260.51</b>	<b>168.20</b>
<b>Foreign Currency Translation Reserve</b>		-
As per last Balance Sheet	(108.14)	(10.87)
Addition during the year	225.44	(97.27)
Closing balance	<b>117.30</b>	<b>(108.14)</b>
<b>Surplus in Statement of Profit &amp; Loss (Refer Note A given below)</b>		
As per last Balance Sheet	5,823.14	5,879.64
Profit for the year as per Note A given below	428.70	88.82
Adjustment of Minority interest	98.99	(145.32)
Adjustment in carrying amount of depreciation as per Part C of Schedule II of the Companies Act, 2013	(91.73)	-
Less: Deductions during the period for treasury stock buy back	(380.75)	-
<b>Closing balance</b>	<b>5,878.35</b>	<b>5,823.14</b>
<b>Total</b>	<b>13,059.46</b>	<b>12,561.50</b>
<b>Note A</b>		
Profit for the year	883.70	564.90
Less: Appropriations		
Dividend proposed to be distributed to Equity Shareholders (₹ 1.50 per share)	262.82	330.00
Tax on dividend	67.18	56.08
Transfer to general reserve	125.00	90.00
	<b>455.00</b>	<b>476.08</b>
<b>Total</b>	<b>428.70</b>	<b>88.82</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**
**Note 3**

<b>Long Term Borrowing</b>	<b>31-Mar-15 ₹ In lacs</b>	<b>31-Mar-14 ₹ In lacs</b>
<b>Term loan</b>		
<b>Secured</b>		
From Bank (Refer Note 3.1)	52.18	632.54
<b>Other Loans</b>		
Long term maturities of car finance		
Due to a bank under car loan agreement (Refer Note 3.2)	-	3.07
Due to others under car loan agreements (Refer Note 3.3)	47.25	38.49
Due to others under operating lease arrangement	108.03	-
<b>Total</b>	<b>207.46</b>	<b>674.10</b>

**Note 3**

- The above term loan facility is availed by Company's indirect subsidiary - ADF Holdings (USA) Limited and the same is secured against the existing investments in mutual funds of ₹ 700 lacs. These securities have been pledged in favour of HDFC Bank Limited, Mumbai against the outstanding term loan of US \$ 1.42 million (Previous Year US \$ 2.74 million) granted by HDFC Bank Limited, Bahrain Branch. Out of US \$ 1.42 million, US \$ 1.34 million (Previous Year : US \$ 1.32 million) is repayable in March, 2016 and balance US \$ 0.08 million will be repaid by March, 2017. The foreign currency loan due for repayment during the next twelve months is disclosed under the head Other Current Liabilities. On the maturity of the said units, the Company has agreed to provide fresh security to HDFC Bank Limited, Mumbai as and when required. The loan carries interest of LIBOR plus margin (150 to 200 basis points).
- Secured by hypothecation of asset purchased, repayable in 36 installments. The loan carries interest of 8% to 10.50% p.a.
- Secured by hypothecation of asset purchased, repayable in 36 installments. The loan carries interest of 9.36% to 9.37% p.a.

**Note 4**

<b>Deferred Tax Liability (Net)</b>	<b>31-Mar-15 ₹ In lacs</b>	<b>31-Mar-14 ₹ In lacs</b>
<b>Liabilities:</b>		
On Fixed Assets	808.60	771.79
<b>Assets:</b>		
On Others	(70.38)	(63.39)
<b>Net deferred tax liability</b>	<b>738.22</b>	<b>708.40</b>

**Note 5**

<b>Other Long Term Liabilities</b>	<b>31-Mar-15 ₹ In lacs</b>	<b>31-Mar-14 ₹ In lacs</b>
Security deposit received	-	25.00
<b>Total</b>	<b>-</b>	<b>25.00</b>

**Note 6**

<b>Long Term Provisions</b>	<b>31-Mar-15 ₹ In lacs</b>	<b>31-Mar-14 ₹ In lacs</b>
(a) Provision for Employees' benefits (Refer Note 28 (12)(b)):		
(i) Provision for compensated absences	29.16	26.61
(ii) Provision for gratuity	92.47	78.15
<b>Total</b>	<b>121.63</b>	<b>104.76</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 7

Short Term Borrowings	31-Mar-15 ₹ In lacs	31-Mar-14 ₹ In lacs
(a) Loans repayable on demand		
From Banks		
Secured (Refer Note 7.1)		
(i) State Bank of Hyderabad	122.80	323.34
(ii) Bank of Baroda	249.06	309.37
(iii) HDFC Bank Limited	313.81	874.38
<b>Total</b>	<b>685.67</b>	<b>1,507.09</b>

### Note 7.1

Secured loan availed from the above mentioned banks is secured by hypothecation of the Current Assets of the Company, immovable property of the Company situated at Nadiad and movable Plant, Machinery, Stores, Spares, Tools and Accessories and other movables both present and future which have been provided as collateral security, ranking pari passu in favour of the Company's bankers. The said Working Capital limits are repayable on demand and the interest payable on Rupee borrowings range from 11.00% to 11.70% p.a. and on foreign currency borrowings is LIBOR plus margin (200 basis points).

### Note 8

Trade Payables	31-Mar-15 ₹ In lacs	31-Mar-14 ₹ In lacs
a) Due to Micro Small and Medium Enterprises (Refer Note 28 (7))	26.37	36.83
b) Others	1,006.19	1,248.25
<b>Total</b>	<b>1,032.56</b>	<b>1,285.08</b>

### Note 9

Other Current Liabilities	31-Mar-15 ₹ In lacs	31-Mar-14 ₹ In lacs
(a) Current maturities of term loan (Refer Note 3.1)	834.93	590.31
(b) Current maturities of car finance (Refer Note 3.3)	26.11	11.84
(c) Unclaimed dividend	67.53	75.08
(d) Other payables		
(i) Statutory Dues	44.94	50.42
(ii) Advances from customers	31.91	38.55
(iii) Book over draft	93.66	55.64
(iv) Others (Includes due to Micro Small and Medium Enterprises ₹ 6.89 lacs, Previous Year: ₹ Nil) (Refer Note 28 (7))	568.33	323.57
<b>Total</b>	<b>1,667.41</b>	<b>1,145.41</b>

### Note 10

Short Term Provisions	31-Mar-15 ₹ In lacs	31-Mar-14 ₹ In lacs
(a) Provision for employees' benefits (Refer note no: 28 (12)(b)):		
(i) Provision for compensated absences	9.73	8.87
(ii) Provision for compensated sick leaves	4.87	3.54
(iii) Provision for gratuity	0.02	9.68
	<b>14.62</b>	<b>22.09</b>
(b) Others:		
(i) Provision for tax (Net of Advance Tax ₹ 1,580.68 lacs; Previous Year: ₹ 1,039.31 lacs)	76.74	54.90
(ii) Provision for proposed equity dividend	262.82	330.00
(iii) Provision for tax on proposed equity dividend	67.18	56.08
	<b>406.74</b>	<b>440.98</b>
<b>Total</b>	<b>421.36</b>	<b>463.07</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 11

#### Fixed Assets

₹ in lacs

Assets	Gross Block					Depreciation and Amortization						Net Block	
	As at 1st April 14	Additions	Deductions	Other adjustments	As at 31st March 2015	Upto 31st March 2014	Adjustments	For the year	Deductions	Other adjustments	Upto 31st March 2015	As at 31st March 2015	As at 31st March 2014
<b>Tangible Assets:</b>													
Leasehold Land	103.97	-	-	-	103.97	7.57	-	1.01	-	-	8.58	95.39	96.40
Freehold Land	4.18	-	-	-	4.18	-	-	-	-	-	-	4.18	4.18
Factory Building	2,058.13	1,005.05	-	-	3,063.18	754.30	-	68.94	-	-	823.24	2,239.94	1,303.83
Office Premises	106.56	-	-	-	106.56	5.43	-	1.68	-	-	7.11	99.45	101.13
Plant & Machinery	4,214.52	582.04	12.19	175.95	4,960.32	1,968.95	122.96	363.64	8.91	67.81	2,514.45	2,445.87	2,245.57
Electrical installation	-	84.31	-	-	84.31	-	-	1.86	-	-	1.86	82.45	-
Laboratory Equipment	23.74	2.46	0.99	-	25.21	13.61	3.56	1.86	0.94	-	18.09	7.12	10.13
Office Equipment	48.58	15.32	8.75	-	55.15	19.83	9.56	9.65	8.11	-	30.93	24.22	28.75
Computers	109.70	8.31	42.80	5.15	80.36	77.63	2.47	15.20	42.56	1.74	54.48	25.88	32.07
Furniture & Fixtures	86.13	60.55	3.29	2.31	145.70	38.77	0.31	12.59	3.14	0.52	49.05	96.65	47.36
Vehicles	326.00	182.92	102.47	-	406.45	131.67	0.09	49.25	58.29	-	122.72	283.73	194.33
	<b>7,081.51</b>	<b>1,940.96</b>	<b>170.49</b>	<b>183.41</b>	<b>9,035.39</b>	<b>3,017.76</b>	<b>138.95</b>	<b>525.68</b>	<b>121.95</b>	<b>70.07</b>	<b>3,630.51</b>	<b>5,404.88</b>	<b>4,063.75</b>
<b>Intangible Assets:</b>													
Trade Marks/Brands	6,031.00	-	-	718.80	6,749.80	2,098.69	-	604.78	-	155.19	2,858.66	3,891.14	3,932.31
Goodwill	399.03	-	-	-	399.03	399.03	-	-	-	-	399.03	-	-
Software	-	24.40	-	-	24.40	-	-	6.02	-	-	6.02	18.38	-
	<b>6,430.03</b>	<b>24.40</b>	<b>-</b>	<b>718.80</b>	<b>7,173.23</b>	<b>2,497.72</b>	<b>-</b>	<b>610.80</b>	<b>-</b>	<b>155.19</b>	<b>3,263.71</b>	<b>3,909.52</b>	<b>3,932.31</b>
<b>TOTAL</b>	<b>13,511.54</b>	<b>1,965.36</b>	<b>170.49</b>	<b>902.21</b>	<b>16,208.62</b>	<b>5,515.48</b>	<b>138.95</b>	<b>1,136.48</b>	<b>121.95</b>	<b>225.26</b>	<b>6,894.22</b>	<b>9,314.40</b>	<b>7,996.06</b>
Previous Year	13,186.85	344.38	19.69	-	13,511.54	4,412.02	-	1,117.84	14.38	14.38	5,515.48	7,996.06	-
Capital Work-in-Progress												169.12	850.50
<b>TOTAL</b>												<b>9,483.52</b>	<b>8,846.56</b>

#### Note:

- 11(a) Adjustments in Depreciation represents the carrying amounts of the assets on the date of the Schedule II coming into effect, namely April 1, 2014 where the remaining useful life is Nil, being recognised in the opening balance of retained earnings.
- 11(b) Consequent to Schedule II to the Companies Act, 2013 becoming applicable w.e.f. April 01, 2014, depreciation for the year has been provided on the basis of the useful lives as prescribed in Schedule II. This has resulted in the depreciation expenses for year being higher by ₹ 23.58 lacs. Depreciation of ₹ 91.73 lacs (net of Deferred Tax) on account of assets whose useful life is already exhausted as on April 01, 2014, has been adjusted to the opening balance of retained earnings.

### Note 12

Non Current Investments	31-Mar-15 ₹ In lacs	31-Mar-14 ₹ In lacs
<b>Investments (At cost)</b>		
a) Other Investments (Given as security to the Sales tax Department, Nadiad)	0.15	0.15
<b>Total</b>	<b>0.15</b>	<b>0.15</b>

### Note 13

Deferred Tax Assets	31-Mar-15 ₹ In lacs	31-Mar-14 ₹ In lacs
<b>Liability:</b>		
Fixed Assets	(0.19)	-
<b>Assets:</b>		
On Others	1,042.36	618.20
<b>Net Deferred Tax Asset</b>	<b>1,042.17</b>	<b>618.20</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 14

Long Term Loans and Advances	31-Mar-15 ₹ In lacs	31-Mar-14 ₹ In lacs
<b>Unsecured:</b>		
(a) Capital advance		
Considered good	22.98	22.45
Doubtful	14.63	14.63
Less: Provision for doubtful advances	14.63	14.63
	<b>22.98</b>	<b>22.45</b>
(b) Other deposits	28.16	6.02
Considered good	137.60	134.04
(Includes deposit of ₹ 12.00 lacs (Previous Year ₹ 12.50 lacs) paid to a Related Party. Refer Note 28 (10))		
(c) Loans and advances to employees		
Considered good	20.07	19.51
(d) Others		
Considered good		
(i) Advance Income Tax (Net of Provision for Tax ₹ 14.39 lacs, (Previous Year: ₹ 8.50 lacs))	0.31	11.77
(ii) MAT Credit	47.17	35.09
<b>Total</b>	<b>256.29</b>	<b>228.88</b>

### Note 15

Other Non Current Assets	31-Mar-15 ₹ In lacs	31-Mar-14 ₹ In lacs
(a) Advances to suppliers	27.84	27.84
Less: Considered doubtful	27.84	27.84
	-	-
(b) Others		
In deposit accounts (due to mature after 12 months from reporting date) (Refer Note 15.1)	-	6.24
<b>Total</b>	<b>-</b>	<b>6.24</b>
<b>Note 15.1</b>		
The bank deposits of ₹ Nil (Previous Year ₹ 6.24 lacs) have been kept with State Bank of Hyderabad as margin money deposits against bank guarantees.		

### Note 16

Current Investment	31-Mar-15 ₹ In lacs	31-Mar-14 ₹ In lacs
<b>Quoted</b>		
<b>Investment in Mutual funds (At lower of cost or market value) (Refer Note 16.1)</b>		
Reliance Dynamic Bond Fund Growth Plan		75.00
Kotak Bond Scheme Plan A Growth	-	325.00
Birla Sunlife Income Plus Growth Regular Plan	-	350.00
Templeton India Short Term Income Retail Plan	-	350.00
Birla Sun Life Short Term Opportunities Fund Growth	500.00	500.00
HDFC Short Term Opportunities Fund Growth	-	500.00
ICICI Prudential FMP series 63 270 days plan D	300.00	-
<b>Total</b>	<b>800.00</b>	<b>2,100.00</b>
Aggregate amount of current investment (market value)	916.23	2,214.17

#### Note 16.1

The above investments in mutual funds (except investments made in Birla Sun Life Short Term Opportunities Fund Growth ₹ 100 lacs) have been pledged in favour of HDFC Bank Limited, Mumbai against outstanding term loan of US \$ 1.42 million (Previous Year US \$ 2.74 million) granted by HDFC Bank Limited, Bahrain Branch to the Company's indirect subsidiary - ADF Holdings (USA) Limited. On the maturity of the said units, the Company has agreed to provide fresh security to HDFC Bank Limited, Mumbai as and when required.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**
**Note 17**

<b>Inventories</b>	<b>31-Mar-15 ₹ In lacs</b>	<b>31-Mar-14 ₹ In lacs</b>
(At lower of cost and net realizable value)		
Raw materials	377.43	386.28
Semi-finished goods	923.74	736.27
Finished goods (Including goods in transit ₹ 193.67 lacs (Previous Year ₹126.08 lacs))	543.82	595.90
Traded goods (Including goods in transit ₹ 25.26 lacs (Previous Year ₹2.33 lacs))	78.22	85.56
Packing materials	668.12	764.70
Licenses on hand	180.00	215.00
<b>Total</b>	<b>2,771.33</b>	<b>2,783.71</b>

**Note 18**

<b>Trade Receivables</b>	<b>31-Mar-15 ₹ In lacs</b>	<b>31-Mar-14 ₹ In lacs</b>
<b>Trade receivables outstanding for a period exceeding six months from the date they were due for payment</b>		
Unsecured, considered Good	12.93	15.13
Doubtful	12.93	-
	25.86	15.13
Less: Provision for Doubtful Trade Receivables	12.93	-
	<b>12.93</b>	<b>15.13</b>
<b>Other Trade Receivables</b>		
Unsecured, considered good	3,243.35	3,001.40
	<b>3,243.35</b>	<b>3,001.40</b>
<b>Total</b>	<b>3,256.28</b>	<b>3,016.53</b>

**Note 19**

<b>Cash and Bank Balances</b>	<b>31-Mar-15 ₹ in lacs</b>	<b>31-Mar-14 ₹ in lacs</b>
<b>Cash and cash equivalents</b>		
(a) Balance with banks		
(i) in Current accounts	153.66	90.87
(ii) in EEFC accounts	635.61	456.20
	<b>789.27</b>	<b>547.07</b>
(b) Cash on hand	39.39	10.37
	<b>828.66</b>	<b>557.44</b>
<b>Other bank balances</b>		
(i) in earmarked accounts		
- Unclaimed dividend accounts	67.53	75.08
(ii) in deposit accounts		
- with original maturity for more than 3 months but less than 12 months	-	450.00
(iii) Held as margin money or security against borrowings / guarantees and other commitments (Refer Note 19.1)		
(a) with original maturity of less than 3 months	65.14	31.47
(b) with original maturity for more than 3 months but less than 12 months	125.20	141.86
	<b>257.87</b>	<b>698.41</b>
<b>Total</b>	<b>1,086.53</b>	<b>1,255.85</b>

**Note 19.1**

Margin money deposits are kept with banks for issue of letters of credit, bank guarantees and for forward contracts.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 20

Short Term Loans and Advances	31-Mar-15 ₹ in lacs	31-Mar-14 ₹ in lacs
<b>Unsecured</b>		
(a) Loans and advances to employees		
Considered good	29.19	27.00
(b) Prepaid expenses	64.51	69.92
(c) Balances with government authorities - considered good		
(i) CENVAT credit receivable	151.74	72.78
(ii) VAT credit receivable	124.01	111.32
(iii) Service tax credit receivable	241.77	238.14
(d) Inter corporate deposit		
Considered good	-	875.00
(e) Others		
Considered good		
(i) Advance to suppliers for goods	254.42	100.08
(ii) Advance to suppliers for expenses	80.21	23.81
(iii) Mark-to-market on derivative contracts	260.51	118.51
(iv) Interest receivable	3.14	29.65
(v) Others	265.83	189.91
<b>Total</b>	<b>1,475.33</b>	<b>1,856.12</b>



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**
**Note 21**

<b>Revenue From Operations</b>	<b>For the year ended 31-Mar-15 ₹ In lacs</b>	<b>For the year ended 31-Mar-14 ₹ In lacs</b>
<b>Sale Of Products</b>		
Manufactured goods	18,003.94	18,526.19
Less: Excise Duty	75.10	123.01
	17,928.84	18,403.18
Traded goods	1,568.63	1,526.19
Other operating revenue	882.55	834.68
<b>Total</b>	<b>20,380.02</b>	<b>20,764.05</b>
<b>Sale Of Products Comprises</b>		
<b>Manufactured Goods</b>		
Meal accompaniments	7,657.97	7,771.51
Frozen foods	7,147.57	8,093.66
Ready to eat	1,635.56	1,348.58
Spices and condiments	992.79	765.52
Others	570.05	546.92
<b>Total - Sale of finished goods (A)</b>	<b>18,003.94</b>	<b>18,526.19</b>
<b>Traded Goods</b>		
Tamarind	498.24	265.74
Canned foods	384.98	355.11
Snacks	63.29	49.79
Meal accompaniments	305.98	363.62
Others	316.14	491.93
<b>Total - Sale of traded goods (B)</b>	<b>1,568.63</b>	<b>1,526.19</b>
<b>Total - Sale of products (A + B)</b>	<b>19,572.57</b>	<b>20,052.38</b>
<b>Other Operating Revenues Comprise:</b>		
Sale Of import Licences	615.60	642.81
Steamer freight assistance	201.95	112.50
Duty drawback	54.01	47.61
Sale of Scrap	10.99	3.90
Insurance Claim	-	27.86
<b>Total - Other operating revenues</b>	<b>882.55</b>	<b>834.68</b>

**Note 22**

<b>Other Income</b>	<b>For the year ended 31-Mar-15 ₹ In lacs</b>	<b>For the year ended 31-Mar-14 ₹ In lacs</b>
Interest income (Refer Note 22.1)	55.55	178.90
Dividend income from current investments	0.36	0.65
Net gain on redemption of current investments	162.45	170.71
Net gain on foreign currency transactions and translations (Other than considered as finance cost)	416.10	-
Other non-operating income (net of expenses directly attributable to such income) (Refer Note 22.2)	72.33	48.20
<b>Total</b>	<b>706.79</b>	<b>398.46</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 22

Other Income	For the year ended 31-Mar-15 ₹ In lacs	For the year ended 31-Mar-14 ₹ In lacs
<b>Note 22.1</b>		
<b>Interest Income Comprises:</b>		
Interest from banks on deposits	39.33	71.12
Interest on loans and advances	-	93.81
Interest on Income Tax refund	1.04	-
Other interest	15.18	13.97
<b>Total - Interest income</b>	<b>55.55</b>	<b>178.90</b>
<b>Note 22.2</b>		
<b>Other Non-Operating Income Comprises:</b>		
Excess provisions written back	6.04	13.96
Miscellaneous income	66.29	34.24
<b>Total - Other non-operating income</b>	<b>72.33</b>	<b>48.20</b>

### Note 23

23(a) Cost Of Materials Consumed	For the year ended 31-Mar-15 ₹ In lacs	For the year ended 31-Mar-14 ₹ In lacs
<b>Raw Materials Consumed :</b>		
Opening stock	386.28	309.57
Add : Purchases	6,454.72	6,328.29
Carriage inward	79.85	53.29
	6,920.85	6,691.15
Less : Closing stock	377.43	386.28
<b>Cost of raw material consumed</b>	<b>6,543.42</b>	<b>6,304.87</b>
<b>Raw Material Consumed Comprises:</b>		
Brine fruits and vegetables	1,884.27	1,389.70
Sugar	974.81	1,017.95
Spices	624.86	424.29
Oil	322.11	365.93
Organic Chicken	292.99	539.82
Organic flour	187.09	267.67
Dry ice	-	88.22
White eggs	-	76.56
Milk and milk products	263.40	197.91
Others	1,993.89	1,936.82
	<b>6,543.42</b>	<b>6,304.87</b>
<b>Packing Materials Consumed :</b>		
Opening stock	764.70	699.03
Add : Purchases	2,274.07	2,315.72
	3,038.77	3,014.75
Less : Closing stock	668.12	764.70
<b>Cost of packing material consumed</b>	<b>2,370.65</b>	<b>2,250.05</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

23(a) Cost Of Materials Consumed	For the year ended 31-Mar-15 ₹ In lacs	For the year ended 31-Mar-14 ₹ In lacs
<b>Packing Material Consumed Comprises:</b>		
Glass bottles	484.06	517.69
Carboys	364.81	233.02
Cartons	208.25	260.22
Printed box and bags and films	269.85	242.06
Others	1,043.68	997.06
	<b>2,370.65</b>	<b>2,250.05</b>
<b>Total Consumption of materials</b>	<b>8,914.07</b>	<b>8,554.92</b>
<b>(b) Purchase Of Traded Goods:</b>		
Purchases	959.08	799.36
<b>Traded goods</b>	<b>959.08</b>	<b>799.36</b>
<b>Traded Goods Comprises:</b>		
Tamarind	341.62	143.86
Canned foods	239.17	264.31
Snacks	34.26	27.66
Meal accompaniments	44.30	14.26
Others	299.73	349.27
	<b>959.08</b>	<b>799.36</b>
<b>(c) Changes In Inventories Of Finished Goods And Work-In-Progress:</b>		
<b>Inventories at the end of the year.</b>		
Finished Goods	543.82	595.90
Work-In-Progress	923.74	736.27
Traded Goods	78.22	85.56
Licences on hand	180.00	215.00
	<b>1,725.78</b>	<b>1,632.73</b>
<b>Inventories at the beginning of the year.</b>		
Finished Goods	595.90	338.52
Work-In-Progress	736.27	901.43
Traded Goods	85.56	51.80
Licences on hand	215.00	129.00
	<b>1,632.73</b>	<b>1,420.75</b>
<b>Net (increase) / decrease</b>	<b>(93.05)</b>	<b>(211.98)</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 24

Employee Benefit Expenses	For the year ended 31-Mar-15 ₹ In lacs	For the year ended 31-Mar-14 ₹ In lacs
Salaries and wages	2,398.91	2,516.50
<b>Contribution to Provident Fund &amp; Other Funds:</b>		-
Company's contribution to Provident Fund	73.68	62.97
Company's contribution to Employee State Insurance Corporation	7.05	7.77
Company's contribution to Labour Welfare Fund	0.14	0.15
Gratuity (Refer Note 28 (12)(b))	28.31	46.37
Others	0.07	-
Staff welfare	61.08	88.18
<b>Total</b>	<b><u>2,569.24</u></b>	<b><u>2,721.94</u></b>

### Note 25

Finance Costs	For the year ended 31-Mar-15 ₹ In lacs	For the year ended 31-Mar-14 ₹ In lacs
(a) Interest expenses on:		
(i) Borrowings	61.71	92.96
(ii) Others		
- Interest on delayed / deferred payment of income tax	0.15	0.36
- Interest on delayed / deferred payment of service tax	0.08	0.08
- Interest expense on car finance	1.45	1.84
- Others	7.66	13.83
(b) Other borrowing cost	67.63	63.59
<b>Total</b>	<b><u>138.68</u></b>	<b><u>172.66</u></b>

### Note 26

Depreciation and Amortization	For the year ended 31-Mar-15 ₹ In lacs	For the year ended 31-Mar-14 ₹ In lacs
Tangible assets	525.68	465.82
Intangible assets	610.80	652.02
<b>Total</b>	<b><u>1,136.48</u></b>	<b><u>1,117.84</u></b>

### Note 27

Other Expenses	For the year ended 31-Mar-15 ₹ In lacs	For the year ended 31-Mar-14 ₹ In lacs
Excise duty	36.94	51.17
Freezing & preservation charges	12.68	9.30
Power and fuel	576.15	584.31
Electricity	17.44	18.58
Water charges	11.26	9.44
Other manufacturing expenses	565.55	658.46
Rent including lease rent	417.60	399.25
Repairs and maintenance to building	120.67	197.85
Repairs and maintenance to machinery	74.34	48.44
Repairs and maintenance to others	22.32	35.04

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Other Expenses	For the year ended 31-Mar-15 ₹ In lacs	For the year ended 31-Mar-14 ₹ In lacs
Insurance	51.59	71.38
Rates and taxes	55.02	63.57
Communication expenses	66.52	68.84
Traveling and conveyance expenses	485.20	478.72
Motor car expenses	39.55	33.46
Printing and stationery	10.71	9.47
Freight and forwarding	1,139.98	1,006.00
Sales commission and claims	334.60	362.07
Advertisement	853.83	1,143.73
Sales and marketing exp - International	668.38	1,012.64
Sales and marketing exp - Domestic	205.07	240.39
Donations	4.41	19.38
Legal and professional Fees	308.86	304.05
Payment to Auditors		
For Statutory Audit	60.96	57.66
For Audit under other statutes	0.13	-
For taxation matters	0.82	0.76
For other service	0.77	0.83
For Reimbursement of expenses	0.53	1.03
<b>Total</b>	<b>63.21</b>	<b>60.28</b>
Registration and filing fees	3.67	2.75
Directors Sitting fees	8.40	3.35
Net loss on foreign currency transactions and translations (net)	-	168.17
Loss on sale of fixed assets	29.38	8.11
Provision for doubtful trade receivables	12.93	-
Miscellaneous expenses	271.94	239.23
<b>Total</b>	<b>6,468.20</b>	<b>7,307.43</b>

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

### Note 28

#### I. Corporate information

ADF Foods Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It's shares are listed on the Bombay Stock Exchange and the National Stock Exchange in India. The Company is engaged in the manufacture and selling of food products like pickles, chutneys, ready to eat items, paste and sauces, frozen foods, spices, etc. The Company caters mainly to International markets and domestic market.

#### 2. Details of direct and indirect subsidiaries

a. The accompanying consolidated financial statements include the accounts of ADF Foods limited and it's following subsidiaries

##### i) Direct Subsidiaries

Name of the Company	Country of Incorporation	% of Holding as on 31 <sup>st</sup> March, 2015	Accounting period
ADF Foods (India) Ltd.	India	100 % Subsidiary	1 <sup>st</sup> April 2014 to 31 <sup>st</sup> March 2015
ADF Foods (UK) Ltd.	UK	100 % Subsidiary	1 <sup>st</sup> April 2014 to 31 <sup>st</sup> March 2015

##### ii) Indirect Subsidiaries

###### Subsidiary of ADF Foods (UK) Ltd.

Name of the Company	Country of Incorporation	% of Holding as on 31 <sup>st</sup> March, 2015	Accounting period
ADF Holdings (USA) Ltd.	USA	100 % Subsidiary	1 <sup>st</sup> April 2014 to 31 <sup>st</sup> March 2015

###### Subsidiary of ADF Holdings (USA) Ltd.

Name of the Company	Country of Incorporation	% of Holding as on 31 <sup>st</sup> March, 2015	Accounting period
ADF Foods (USA) Ltd.	USA	100 % Subsidiary	1 <sup>st</sup> April 2014 to 31 <sup>st</sup> March 2015

**All significant intercompany balances and transactions between the Company and its subsidiaries have been eliminated in consolidation.**

#### b. Principles of consolidation

- i) The Consolidated financial statements of ADF Foods Ltd. together with audited financial statements of it's subsidiaries as described in "a" above have been considered for the purpose of consolidation. The audited financial statements of foreign subsidiaries have been prepared in accordance with the Generally Accepted Accounting Principles of their countries of incorporation or International Financial Reporting Standards. For ADF Holdings (USA) Ltd. and ADF Foods (UK) Ltd., the Company has received fit for consolidation reports in line with the Generally Accepted Accounting Principles in India.
- ii) The financial statements of the Parent Company and its subsidiaries as described in "a" above have been combined to the extent possible on a line by line basis by adding together like items of assets, liabilities, income and expenses. The results of subsidiaries acquired or disposed off during the year are included in the consolidated Statement of Profit and Loss from the effective date of acquisition or upto the effective date of disposal, as the case may be. All significant intra group balances and transactions have been eliminated on consolidation. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the Balance Sheet of the Parent Company and it's share in the post-acquisition increase/decrease in the relevant reserves of the subsidiaries.
- iii) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Parent Company's Financial Statements.
- iv) Minority interest in the net income and net assets of the consolidated financial statements are computed and shown separately. Losses applicable to minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the group.
- v) The unamortised carrying value of goodwill/brands is tested for impairment as at each balance sheet date.

c. **Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries.**

Name of the entity	2014-15				2013-14			
	Net Assets i.e. total assets minus total liabilities		Share in Profit or (Loss)		Net Assets i.e. total assets minus total liabilities		Share in Profit or (Loss)	
	As a % of consolidated net assets	Amount (₹ In lacs)	As a % of consolidated profit	Amount (₹ In lacs)	As a % of consolidated net assets	Amount (₹ In lacs)	As a % of consolidated profit	Amount (₹ In lacs)
<b>Parent Company</b>								
ADF Foods Ltd.	87.00%	13,308.60	142.80%	1,261.93	92.91%	13,749.34	203.15%	969.73
<b>Subsidiaries</b>								
<b>Indian</b>								
ADF Foods (India) Ltd.	0.17%	26.57	26.45%	233.72	0.21%	30.62	61.13%	291.82
<b>Foreign</b>								
ADF Foods (UK) Ltd.	0.34%	52.69	1.70%	14.99	0.53%	78.43	(9.75%)	(46.54)
ADF Holdings (USA) Ltd.*	12.49%	1,909.43	(70.95%)	(626.94)	6.35%	940.93	(154.53%)	(737.67)
<b>Grand Total</b>	<b>100.00%</b>	<b>15,297.29</b>	<b>100.00%</b>	<b>883.70</b>	<b>100.00%</b>	<b>14,799.32</b>	<b>100.00%</b>	<b>477.34</b>
Minority Interest in Subsidiaries		-		-		-		(81.14)

\* Figures for ADF Holdings (USA) Ltd. are figures after consolidation with its subsidiary ADF Foods (USA) Ltd.

### 3. Significant accounting policies

#### a. Basis of preparation of financial statements

The financial statements of the Company have been prepared on accrual basis under the historical cost convention and ongoing concern basis in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under section 133 of The Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of The Companies Act, 2013 ('the Act') / The Companies Act, 1956, as applicable.

#### Current / non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

An asset is classified as current when it satisfies any of the following criteria;

- it is expected to be realized in, or is intended for sale or consumption in, the entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realized within twelve months after the balance sheet date; or
- it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria;

- it is expected to be settled in, the entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the balance sheet date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act.

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**b. Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities as at the date of financial statements. Changes in estimates are recognized in the year these arise.

**c. Fixed Assets**

i) **Tangible assets**

Tangible fixed assets are carried at cost less accumulated depreciation and impairment, if any. Cost comprises the purchase price or construction cost including any attributable cost of bringing the asset to its working condition for its intended use.

ii) **Intangible assets**

Intangible fixed assets are carried at cost less accumulated amortization and impairment if any. Cost comprises the purchase consideration paid for brands and goodwill and any attributable cost of bringing internally generated asset to its working condition for its intended use.

iii) **Capital work in progress**

Capital work in progress includes the acquisition/commissioning cost of assets under expansion/acquisition and pending commissioning. Expenditure related to such acquisition/expansion is also treated as capital work in progress and capitalized along with the asset on completion of the expansion project or otherwise on commencement of commercial use of the asset.

**d. Depreciation**

i) **Tangible assets**

Depreciation has been provided under the straight-line method on all Fixed Assets at the rates specified as per Schedule II to the Companies Act, 2013 except in case of carboys and pallets where a lower rate of depreciation i.e. five years under straight line method is applied based on technical advice obtained by the Company. Depreciation on additions to assets or where any asset has been sold or discarded, is calculated on a pro-rata basis from the date of such addition or up to the date of such sale or discard as the case may be.

ii) **Intangible assets**

Intangible assets are amortized over a period of 5 years in the case of Goodwill and over a period of 10 years in the case of Brands purchased / acquired.

iii) **Leasehold land**

Cost of leasehold land is amortized over the balance period of the lease.

iv) **Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

**e. Valuation of stock**

i) In determining cost of raw materials, packing materials, traded items, semi-finished goods, finished goods, stores, spares and consumables, weighted average cost method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition. Damaged, unserviceable and inert stocks are suitably written down.

ii) Traded goods and finished goods are valued at cost or net realizable value whichever is lower. Cost of finished goods and semi-finished goods includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location

**f. Employee benefits**

i) **Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognised in the period in which the employee renders the related service. The Company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

ii) **Post-employment benefits**

(a) **Defined contribution plans**

Defined contribution plans are Employee Provident Fund scheme and Employee State Insurance scheme for eligible employees. The Company's contribution to defined contribution plans is recognised in the statement of profit and loss in the financial year to which they relate.



(b) **Defined benefit plans**

(i) **Compensated absences**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

(ii) **Gratuity scheme**

The company operates defined benefit plan for its employees, viz., gratuity. The costs of providing benefit under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the Statement of Profit and Loss.

**g. Foreign Currency transactions / translations**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Exchange differences arising on foreign exchange transaction settled during the year are recognized in Statement of Profit and Loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding as at the year-end are translated at the closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss.

In translation, the financial statements of foreign entities for incorporation in the consolidated financial statements, the assets and liabilities are translated at the exchange rate prevailing at the Balance Sheet date of respective subsidiaries and the Income and Expenses item are translated at the average rate of exchange for the year. The resulting exchange differences are classified as 'Foreign Currency Translation Reserve'.

Forward contracts, other than those entered to hedge foreign currency risk on unexecuted firm commitments or highly probable forecast transactions, are treated as foreign currency transactions and accounted accordingly as per Accounting Standard 11 ["Effect of Changes in Foreign Exchange Rates"]. Exchange differences arising on such contracts are recognized in the period in which they arise.

The premium / discount on a foreign currency forward contract is accounted as expense / income over the period of the contract.

Gains and losses arising on account of roll over / cancellation of forward contracts are recognized as income / expenses of the period in which such rollover / cancellation takes place.

The Company has adopted Accounting Standard 30, Financial Instruments; Recognition and Measurement (AS 30) issued by ICAI to the extent the adoption of AS 30 does not conflict with existing Accounting Standards prescribed by Companies (Accounting Standards) Rules, 2006 and other authoritative pronouncements.

Accordingly, the resultant gains or losses or fair valuation / settlement of the derivative contracts covered under Accounting Standard (AS) 30 ["Financial instruments; Recognition and Measurement"] are recognized in the Statement of Profit and Loss or Balance Sheet as the case may be after applying the test of hedge effectiveness. Where the hedge is effective, the gains or losses are recognized in the "Hedging Reserve" which forms part of "Reserves and Surplus" in the Balance Sheet, while the same is recognized in the Statement of Profit and Loss where the hedge is ineffective. The amount recognized in the "Hedging Reserve" is transferred to the Statement of Profit and Loss in the period in which the underlying Hedge item affects the Statement of Profit and Loss.

**h. Revenue recognition**

Revenue from sale of goods is recognized on transfer of all significant risk and rewards of ownership to the buyer on dispatch of goods and is net of sales return, taxes and excise duty.

Scrap sales are accounted upon sales.

Dividend income is recognized when the right to receive payment is established.

Interest, export benefits and other income are recognized on accrual basis.

**i. Research and Development**

Research and Development costs (other than the cost of fixed assets acquired) are charged as expenses in the year in which these are incurred.

**j. Provisions and contingencies**

The Company creates a provision when there exist a present obligation as a result of past events and that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

**k. Investments**

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

#### **I. Lease accounting**

##### **i) Where the Company is lessee:**

Leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the Statement of Profit and Loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule II to the Companies Act, 2013, whichever is lower. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule II to the Companies Act, 2013.

Where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, such leases are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

##### **ii) Where the Company is the lessor**

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

#### **m. Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

#### **n. Government grants and subsidies**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

#### **o. Taxation**

Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of the timing differences between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax loss that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized only to that extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date to reassess realization.

#### **P. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

#### **q. Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity share holders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than conversion and potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity share holders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

#### 4. Share warrants / share capital

Out of the total amount of ₹ 4,004.35 lacs received from the preferential allotment of the Shares and Warrants issued from time to time, the Company has utilized these funds in the manner summarized below:

	₹ in lacs
For expansion / acquisition of fixed assets	4,004.35
Unutilized balance held as fixed deposits with bank and Investment in mutual funds	Nil
<b>Total</b>	<b>4,004.35</b>

#### 5a. Contingent Liabilities

	2014-15	2013-14
Guarantees issued by the banks (net of margin money)	30.42	34.18
Claims against the Company not acknowledged as debts (net of deposits)	23.35	15.25
Disputed Service tax demands of earlier years	433.01	440.00
Disputed income tax demand for A.Y. 2012-13	81.70	-

#### 5b. Capital commitments (net of advances)

	2014-15	2013-14
Capital commitments (net of advances)	159.81	278.57

6. The Company has reviewed the valuation of its intangible assets and investments, based on management estimates. Such valuation does not reflect any impairment of value requiring provision of additional asset amortization amounts.

#### 7. Micro, Small and Medium enterprises:

Micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Sundry creditors include total outstanding dues to micro enterprises and small enterprises amounting to ₹ 26.37 lacs (Previous Year: ₹ 36.83 lacs) and Other Current Liabilities include total outstanding dues to Micro Small Enterprises amounting to ₹ 6.89 lacs (Previous Year: ₹ Nil). The disclosures pursuant to MSMED Act based on the books of account are as under:

	2014-15	2013-14
Dues remaining unpaid		
Principal	33.26	36.83
Interest paid in terms of Section 16 of MSMED Act	Nil	Nil
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year but without adding the interest specified under the MSMED Act	Nil	Nil
Amount of interest accrued and remaining unpaid	Nil	Nil
Amount of further interest remaining due and payable in seceding years for the purpose of disallowances under section 23 of the Act	Nil	Nil

#### 8. Loans and advances includes

##### Deposits paid to related parties

Interest free security deposit of ₹ 12.00 lacs (Previous Year ₹ 12.50 lacs), maximum balance during the year ₹ 12.50 lacs (Previous Year ₹ 13.00 lacs) paid for guest house taken on lease from a Related party.

#### 9. Disclosure in respect of lease

The future minimum lease rental payments, in respect of operating lease are as follows:

	2014-15	2013-14
i) Not later than one year	279.11	142.60
ii) Later than one year and not later than five years	135.32	266.50
iii) Later than five years	42.83	43.33

Lease payment recognized in the Statement of Profit and Loss for the year ended ₹ 375.33 lacs, (Previous Year: ₹ 143.64 lacs).

## 10. Related party disclosures

### Related parties with whom transactions have taken place during the year

Sr. No:	Related party relationship	Name of the Related Parties
1.	Key Managerial Personnel	Mr. Ashok H. Thakkar – Vice Chairman
		Mr. Bimal R. Thakkar – Managing Director
		Mr. Bhavesh R. Thakkar – Executive Director
		Ms. Shalaka Ovalekar – Company Secretary
2.	Relative of Key Managerial Personnel	Mr. Mishal A. Thakkar – Manager
		Mrs. Mahalaxmi R. Thakkar (Relative of Mr. Bimal R. Thakkar)
3.	Some of the Directors of the Company are related to the Directors of the said Private Limited Company	M.H. Foods Private Limited

₹ In lacs

Particulars	Financial Year	Key Managerial Personnel	Relative of Key Managerial Personnel	Some of the Directors of the Company are the related to the Directors of the said Private Company	Total
Other expenses charged by the Company	2014-15	-	-	0.33	0.33
	2013-14	-	-	0.82	0.82
Salary	2014-15	154.74	9.82	-	164.56
	2013-14	125.20	7.95	-	133.15
Rent	2014-15	-	0.50	-	0.50
	2013-14	-	0.50	-	0.50
<b>Balances outstanding at the end of the year:</b>					
Long-term loans and advances	2014-15	12.00	-	-	12.00
	2013-14	12.50	-	-	12.50

### Material related party transactions as under:

₹ In lacs

		2014-15	2013-14
Other expenses charged by the company	M.H. Foods Pvt. Limited	0.33	0.82
Salary	Mr. Ramesh H. Thakkar	-	23.60
	Mr. Ashok H. Thakkar	46.47	34.46
	Mr. Bimal R. Thakkar	46.47	33.58
	Mr. Bhavesh R. Thakkar	46.47	33.56
	Ms. Shalaka Ovalekar	15.33	-
	Mr. Mishal R. Thakkar	9.82	7.95
Rent	Mrs. Mahalaxmi R. Thakkar	0.50	0.50
Long-term loans and advances	Mrs. Mahalaxmi R. Thakkar	12.00	12.50

## 11. Financial and derivative instruments

### i) Outstanding derivative instruments

Contracts entered into by the Company for hedging in US \$ and outstanding as on 31<sup>st</sup> March 2015 amount to US \$ 85.00 lacs (Previous Year: US \$ 82.50 lacs), equivalent to ₹5,568.63 lacs (Previous Year: ₹ 5,307.04 lacs).

Contracts entered into by the Company for hedging in UK £ and outstanding as on 31<sup>st</sup> March 2015 amount to UK £ 20.00 lacs (Previous Year: UK £ 19.00 lacs), equivalent to ₹2,110.82 lacs (Previous Year: ₹ 1,973.81 lacs).

All contracts entered by the Company are for hedging of exposures against receivables.

The Company has not entered into any derivative instruments for trading or speculative purpose.

All outstanding forward contracts are recognized in the financial statements at fair value as on the balance sheet date in accordance with the requirements of AS 30.

Accordingly, the resultant gain or loss on fair valuation / settlement of the outstanding forward contracts are recognized in the Statement of Profit and Loss or Balance Sheet as the case may be after applying the test of hedge effectiveness. Where the hedge is effective, the gains or losses are recognized in the "Hedging Reserve" which forms part of "Reserves and Surplus" in the Balance Sheet" and where the hedge is ineffective, the same is recognized in the Statement of Profit and Loss. The amount recognized in the "Hedging Reserve" is transferred to the Statement of Profit and Loss in the period in which the underlying Hedge item affects the Statement of Profit and Loss.

## ii) Unhedged foreign currency exposures

Foreign currency exposures on account of trade receivables / trade payables and packing credit foreign currency (PCFC) loan not hedged by derivative instruments are as follows:

### a) Trade and other receivables

₹ In lac

Foreign currency	2014-15		2013-14	
	Amount (in original currency)	Amount	Amount (in original currency)	Amount
USD	67.63	4,230.07	24.57	1,494.70
GBP	12.31	1,143.72	21.01	2,102.51
EURO	0.55	37.16	0.22	17.98

### b) Trade payable

₹ In lac

Foreign currency	2014-15		2013-14	
	Amount (in original currency)	Amount	Amount (in original currency)	Amount
USD	0.67	42.02	1.14	68.79
GBP	0.54	49.94	0.14	13.93

### c) Packing credit foreign currency (PCFC) loan

₹ In lac

Foreign currency	2014-15		2013-14	
	Amount (in original currency)	Amount	Amount (in original currency)	Amount
USD	0.95	59.26	7.68	461.87

### d) EEFC balance

₹ In lac

Foreign currency	2014-15		2013-14	
	Amount (in original currency)	Amount	Amount (in original currency)	Amount
USD	68.00	425.67	4.60	276.47
GBP	2.27	209.83	1.80	179.73

## 12. Disclosures required under Accounting Standard 15 (Revised) "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below

### a) Defined contribution plans

Amount of ₹73.68 lacs (Previous Year: ₹ 62.97 lacs) representing contribution to provident fund is recognized as an expense and is included in "Employee benefits expenses" in the Statement of Profit and Loss.

Amount of ₹7.05 lacs (Previous Year: ₹ 7.60 lacs) representing contribution to Employee State Insurance scheme is recognized as an expense and is included in "Employee benefits expenses" in the Statement of Profit and Loss.

### b) Defined benefit plan

#### Compensated absence

Provision for compensated absences is made for outstanding leave balance at the year end at basic salary cost which can be utilized in future and are en-cashable. Amount of ₹ 38.89 lacs (Previous Year: ₹ 35.48 lacs) has been recognized in balance sheet of which ₹ 29.16 lacs (Previous Year: ₹ 26.61 lacs) shown under long term provision and balance ₹9.73 lacs (Previous Year: ₹ 8.87 lacs) is shown under short term provision as given in the Actuarial report as on 31 March 2015.

Expenses of Rs 34.26 lacs (Previous Year: ₹ 28.75 lacs) are recognized in the Statement of Profit and Loss.

#### Compensated sick leave

Provision for compensated absences is made for outstanding sick leave balance at the year end at gross salary which can be utilized in future and are en-cashable. Amount of ₹ 4.87 lacs (Previous Year: ₹3.54 lacs) has been recognized in balance sheet of which ₹ Nil (Previous Year: ₹ Nil) shown under long term provision and balance ₹4.87 lacs (Previous Year: ₹ 3.54 lacs) is shown under short term provision as given in the Actuarial report as on 31 March 2015.

## Gratuity

### Funded

The Company has offered its employees defined benefit plan in the form of Group Gratuity Scheme. Gratuity Scheme covers all qualifying employees as statutorily required under the Payment of Gratuity Act, 1972. The Company has made irrevocable contribution of funds to LIC of India.

The present value of the defined benefit obligation and the related current service cost is measured using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

The Present value of the obligation on 31st March 2015 of ₹ 0.02 lacs (Previous Year: ₹ 9.68 lacs) pertaining to funded gratuity [(net of fund value of ₹ 130.21 lacs (Previous Year: ₹ 100.21 lacs)] payable employees is shown under Short-Term Provision.

### Unfunded

There being no short term liability in respect of unfunded gratuity provision, the entire amount of ₹ 92.47 lacs (Previous Year: ₹ 78.15 lacs) is shown under Long-Term Provision.

The present value of the defined benefit obligation and the related current service cost is measured using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date.

₹ In lacs

	Gratuity (funded and unfunded)	
	2014-15	2013-14
<b>I Change in benefit obligation</b>		
Liability at the beginning of the year	188.03	188.06
Interest cost	15.04	17.14
Current service cost	24.26	25.08
Benefit paid	(2.17)	(19.48)
Benefit paid directly by Company	-	33.00
Actuarial (gain) / loss on obligations	(2.48)	10.23
Liability at the end of the year	222.69	188.04
<b>II Fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	100.20	100.79
Actual return on plan assets	9.98	8.83
Employer's Contributions	22.19	10.07
Benefit paid	(2.17)	(19.48)
Fair value of plan assets at the end of the year	130.21	100.21
<b>III Amount recognised in the balance sheet</b>		
Liability at the end of the year	222.69	188.04
Fair value of plan assets at the end of the year	130.21	100.21
Present value of unfunded obligations	92.49	87.83
<b>IV Expenses recognised in the Statement of Profit and Loss</b>		
Current service cost	24.23	25.05
Interest cost	15.08	17.18
Actual return on plan assets	(9.98)	(8.83)
Net actuarial (gain) / loss to be recognized	2.50	10.22
Expense recognised in Statement of Profit and Loss	26.85	43.62
<b>V Actuarial assumptions :</b>		
Discount rate	8.00%	9.12%
Rate of return on plan assets	9.96%	8.76%
Salary escalation	6.00%	8.00%

Under Long-Term Provisions ₹ 92.47 lacs (Previous Year: ₹ 78.15 lacs) (Refer Note 6) and under Short-Term Provisions ₹ 0.02 lacs (Previous Year: ₹ 9.68 lacs) (Refer Note 10).

### Experience Adjustments for the current and previous four years

₹ In lacs

Experience	2014-15	2013-14	2012-13	2011-12	2010-11
Defined Benefit Obligation	277.90	188.04	188.06	173.06	121.03
Plan Assets	130.21	100.21	100.79	87.05	-
Status [ Surplus / (Deficit)]	(92.49)	(87.83)	(87.27)	(86.01)	-
Experience Adjustments of Obligation [(Gain)/Loss]	(2.48)	(22.77)	(14.76)	26.45	4.92
Experience on Plan Assets [Gain/(Loss)]	1.96	0.76	1.38	(0.61)	-

## 14. Computation of earnings per share

	2014-15	2013-14
Basic earnings per share:		
Number of shares at the beginning of the year	2,20,00,000	2,20,00,000
Issued during the year	-	-
Number of shares at the end of the year	2,20,00,000	2,20,00,000
Number of shares (basic weighted average)	2,20,00,000	2,20,00,000
Profit for the year (₹ in lacs)	₹ 883.70	₹ 564.90
Basic Earnings Per Share (weighted average)	₹ 4.02	₹ 2.17
Number of shares (diluted)	2,20,00,000	2,20,00,000
Diluted Earnings Per Share (weighted average)	₹ 4.02	₹ 2.17

## 15. Value of Imported and indigenous raw materials and packing materials consumed

### Raw materials

₹ In lacs

	2014-15		2013-14	
	Amount	% of Consumption	Amount	% of Consumption
Imported	88.83	1.36	106.26	1.69
Indigenous	6,454.59	98.64	6,198.61	98.31
<b>Total</b>	<b>6,543.42</b>	<b>100.00</b>	<b>6,304.87</b>	<b>100.00</b>

### Packing materials

₹ In lacs

	2014-15		2013-14	
	Amount	% of Consumption	Amount	% of Consumption
Imported	55.21	2.33	136.38	6.06
Indigenous	2,315.44	97.67	2,113.67	93.94
<b>Total</b>	<b>2,370.65</b>	<b>100.00</b>	<b>2,250.05</b>	<b>100.00</b>

## 16. Value of Imports Calculated on C.I.F basis

₹ In lacs

	2014-15	2013-14
Raw materials and packing materials	112.20	282.94
Traded goods	28.67	-
Capital goods	150.27	116.71
Others	-	0.93
<b>Total</b>	<b>291.14</b>	<b>400.58</b>

## 17. Expenditure in foreign currency

₹ In lacs

	2014-15	2013-14
Travelling	165.92	117.03
Advertisement	51.28	90.13
Legal and professional fees	49.32	122.96
Business promotion	305.66	360.24
Sales commission and claims	191.49	139.86
Others	1.32	14.03
<b>Total</b>	<b>764.99</b>	<b>844.25</b>

### 18. Remittance in foreign currency on account of dividend

During the year, the Company has not made any remittance in foreign Currency on account of dividend payable to its Non Resident Shareholders. However the details of dividend paid to the Non Resident Shareholders in Indian Rupees during the financial year is given below.

Particulars	Dividend of 2013-14	Dividend of 2012-13
No. of non-resident Share holders	103	84
No. of shares held by them	1,91,495	28,18,413
Amount of dividend (15 % i.e. ₹ 1.50 Per Share)	2,87,243	42,27,620

### 19. Earnings in Foreign Currency

₹ In lacs

	2014-15	2013-14
F.O.B. Value of Exports	12,696.18	11,699.04

20. The Company is engaged mainly in the business of manufacturing and exporting food products like pickles, chutneys, ready to eat items, paste and sauces, frozen foods, spices, etc. local and overseas, which is the only business segment of the Company. The local turnover being less than 10% of the total turnover of the Company, separate geographical segment information has not been given in the financial statements. Hence there are no separate reportable segments, as required by the Accounting Standard 17 on "Segment Reporting" notified under the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of The Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 issued by the Ministry of Corporate Affairs.

21. The Company held majority share holding in Power Brands (Foods) Private Limited ('PBFPL'). It presently holds 2,08,85,992 fully paid Equity Shares of ₹ 10/- each (including 20,75,992 Equity Shares acquired at ₹ 330.08 lacs in Financial Year 2012-13). PBFPL is presently under voluntary liquidation process.

Pursuant to a special resolution passed on November 5, 2012 by its members, PBFPL went into the members' voluntary liquidation. In the course of liquidation process, the voluntary liquidator, with the prior approval of the members vide their special resolution dated March 8, 2013, distributed PBFPL's intangible asset - Ashoka brand and part of cash and bank balance to its Shareholders in proportion to their respective shareholding in PBFPL while retaining certain other fixed and current assets to meet its contingent and other liabilities.

By virtue of the above distribution, the Company received Ashoka brand in the Financial Year 2012-13 (valued at ₹ 2,935.99 lacs by an independent valuer) in lieu of it's investment in PBFPL's equity shares of ₹ 2,211.08 lacs. Accordingly, the Company capitalised the said brand in it's books at ₹ 2,935.99 lacs in the said financial year after adjusting the same against the investment value of ₹ 2,211.08 lacs and carried the balance of ₹ 724.91 lacs to the credit of the Statement of Profit and Loss as an exceptional item in that year.

During the current Financial Year, the voluntary liquidator, with the prior approval of the members vide their special resolution dated 10<sup>th</sup> November 2014, distributed PBFPL's immovable property situated at Sewree, Mumbai and part of cash and bank balance to its Shareholders in proportion to their respective shareholding in PBFPL while retaining certain other current assets to meet with it's contingent and other liabilities. The excess value of assets so received over the investment value in Equity Shares of PBFPL has been accounted for in the Company's Statement of Profit & Loss under the head exceptional item.

Consequently, the investment in Equity Shares of PBFPL stands fully realised. However, pending completion of liquidation process, the Company has not surrendered the said shares to the Voluntary liquidator and they have been shown under the head "Investment" at nil value.

22. The Corresponding figures and details pertaining to the Previous Year have been traced from the Financial statements for the year ended March 31, 2014 audited solely by one of the current joint auditors vide their report dated May 28, 2014.

23. Previous Year's figures have been regrouped / restated wherever necessary to conform to current year's classification.

24. Figures have been rounded off to the nearest lacs.

#### As per our report of even date

For **D.P. Ghevaria & Co.**  
Chartered Accountants  
Firm's Registration Number 103176W

**D.P. Ghevaria**  
Proprietor, Membership Number 032431

For **Kalyaniwalla & Mistry**  
Chartered Accountants  
Firm Registration Number 104607W

**Farhad M. Bhesania**  
Partner, Membership Number 127355

Place: Mumbai  
Date: 28th May 2015

#### For and on behalf of the Board

**Ashok H. Thakkar**  
Chairman,  
DIN: 00087465

**Bhavesh R. Thakkar**  
Executive Director & C.F.O.  
DIN: 00939805

Place: Mumbai  
Date: 28th May 2015

**Bimal R. Thakkar**  
Managing Director & C.E.O.,  
DIN: 00087404

**Shalaka Ovalekar**  
Company Secretary



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

₹ In lacs

Particulars	31-Mar-15	31-Mar-14
<b>A. Cash Flow from Operating Activities</b>		
<b>Profit before Taxation</b>	<b>1,168.74</b>	<b>700.34</b>
<b>Adjustment for:</b>		
Depreciation and amortisation	1,136.48	1,117.84
Loss on sale / write off of Fixed Assets (Net)	18.26	8.11
Finance cost	138.68	172.66
Provision for doubtful trade receivables	12.93	-
Unrealised exchange loss	12.38	33.03
Interest income	(55.55)	(178.90)
Dividend income	(0.36)	(0.65)
Net (gain) on sale of Mutual Funds	(162.45)	(170.71)
Exceptional item - Net (gain) on sale of investment property	(174.63)	-
Provision for estimated losses on onerous contracts	92.31	26.66
Effect of exchange rate change	(551.54)	(198.53)
<b>Operating Profit before working capital changes</b>	<b>1,635.25</b>	<b>1,509.85</b>
<b>Adjustment for:</b>		
Increase / (Decrease) in Non-Current Liabilities	(8.13)	5.60
Increase in Current Liabilities	261.84	438.01
(Increase) / Decrease in Non-Current Assets	(26.79)	20.30
(Increase) / Decrease in Current Assets	(773.32)	309.85
	<b>1,088.85</b>	<b>2,283.61</b>
Taxes Paid (Net)	(510.71)	(474.99)
<b>Net Cash Flow from Operating Activities (A)</b>	<b>578.14</b>	<b>1,808.62</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(1,283.99)	(1,184.96)
Sale of Fixed Assets	30.27	(2.80)
Proceeds from refund of Inter-Corporate Deposits	875.00	150.00
Proceeds from maturity of Fixed Deposits placed with banks	446.78	372.90
Purchase of mutual funds	(600.00)	(1,000.00)
Redemption of mutual funds	2,062.45	2,020.71
Exceptional item - proceeds from disposal of investment property	174.63	-
Dividend received	0.36	0.65
Interest received	82.05	185.87
<b>Net Cash Flow from/ (used in) Investing Activities (B)</b>	<b>1,787.55</b>	<b>542.37</b>

₹ In lacs

Particulars	31-Mar-15	31-Mar-14
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from long-term borrowings	(466.63)	(622.31)
Repayment of short-term borrowings	(821.32)	(871.20)
Finance cost	(138.68)	(172.66)
Dividends paid	(330.00)	(330.00)
Tax on dividend	(56.08)	(56.10)
Deductions during the year for treasury stock buy back	(281.76)	-
<b>Net Cash Flow (used in) Financing Activities (C)</b>	<b>(2,094.47)</b>	<b>(2,052.27)</b>
<b>Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>271.22</b>	<b>298.72</b>
<b>CASH &amp; CASH EQUIVALENTS</b>		
AS AT THE BEGINNING	557.44	258.72
AS AT THE ENDING		
Cash and Bank Balances	837.15	528.13
Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents	(8.49)	29.31
<b>Cash and Cash Equivalents - Closing Balance</b>	<b>828.66</b>	<b>557.44</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>271.22</b>	<b>298.72</b>
<b>Notes:</b>		
1. Cash and Cash Equivalents	1,086.53	1,255.85
Less: Other Bank Balances	(257.87)	(698.41)
<b>Cash and Cash Equivalents</b>	<b>828.66</b>	<b>557.44</b>
2. The cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on 'Cash Flow Statement' and presents cash flows by operating, investing and financing activities.		
3. Figures for the Previous Year have been regrouped/ restated wherever necessary to conform to current year's classification.		

**As per our report of even date**

For **D.P. Ghevaria & Co.**  
Chartered Accountants  
Firm's Registration Number 103176W

**D.P. Ghevaria**  
Proprietor, Membership Number 032431

**For Kalyaniwalla & Mistry**  
Chartered Accountants  
Firm Registration Number 104607W

**Farhad M. Bhesania**  
Partner, Membership Number 127355

Place: Mumbai  
Date: 28th May 2015

**For and on behalf of the Board**

**Ashok H. Thakkar**  
Chairman,  
DIN: 00087465

**Bhavesh R. Thakkar**  
Executive Director & C.F.O.  
DIN: 00939805

Place: Mumbai  
Date: 28th May 2015

**Bimal R. Thakkar**  
Managing Director & C.E.O.,  
DIN: 00087404

**Shalaka Ovalekar**  
Company Secretary

## FORM AOC - I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries

1	Name of Subsidiary	ADF Foods (India) Limited - wholly owned subsidiary	ADF Foods (UK) Limited - wholly owned subsidiary		ADF Holdings (USA) Limited and its' subsidiary - step-down subsidiary	
2	Reporting period for the dubsidiary concerned, if different from the holding company's reporting period	1st April 2014 to 31 March 2015	1st April 2014 to 31 March 2015		1st April 2014 to 31 March 2015	
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of Soreign Subsidiary	Rupees	£ = INR 92.55		\$ = INR 62.62	
		₹ / lacs	£	₹ / lacs	\$	₹ / lacs
4	Share capital	5.00	2,085,281	1,929.93	3,275,000	2,050.81
5	Reserves & Surplus	(24.03)	(3,454)	(3.20)	(4,138,270)	(2,591.38)
6	Total assets	33.21	4,681,846	2,468.50	5,612,028	3,514.25
7	Total liabilities	52.40	2,600,019	2,406.32	6,475,298	4,054.82
8	Investments	0.15	2,014,645	1,864.55	-	-
9	Turnover	305.98	253,690	249.45	8,277,594	5,066.65
10	Profit before taxation	36.15	15,233	14.98	(1,656,841)	(958.39)
11	Provision for taxation	(10.35)	-	-	523,176	320.35
12	Profit after taxation	46.50	15,233	14.98	(1,133,665)	(638.06)
13	Proposed Dividend	0	0	0	0	0
14	% of share holding	100%	100%	100%	100%	100%
Power Brands (Foods) Pvt. Ltd. (PBFPL), 99.99% subsidiary of the company, has gone for voluntary liquidation vide special resolution passed by its' Members' on 5th November,2012.						

For and on behalf of the Board

**Ashok H. Thakkar**  
Chairman  
DIN:00087465

**Bimal R. Thakkar**  
Managing Director & C.E.O.  
DIN:00087404

**Bhavesh R. Thakkar**  
Executive Director & C.F.O.  
DIN:00939805

**Shalaka Ovalekar**  
Company secretary

Place: Mumbai  
Date: 28th May 2015







## ADF FOODS LIMITED

CIN: L15400GJ1990PLC014265

83/86 GIDC Industrial Estate, Nadiad 387001, Gujarat; Tel.: 0268-2551381/2 Fax. : 0268-2565068;

E-mail: [info@adf-foods.com](mailto:info@adf-foods.com); website: [www.adf-foods.com](http://www.adf-foods.com)

### PROXY FORM

**Twenty Fifth Annual General Meeting- 30<sup>th</sup> September, 2015 at 1.00 p.m.**

Name of Member(s) :

Registered Address :

E-mail Id :

Folio No./ DP Id/Client Id :

I/We being member(s) holding ..... number of Shares of the above named Company hereby appoint:

[1] Name:..... Address:.....

E-mail Id: ..... Signature: .....; or failing him

[2] Name:..... Address:.....

E-mail Id: ..... Signature: .....; or failing him

[3] Name:..... Address:.....

E-mail Id: ..... Signature: .....

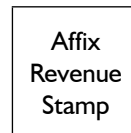
as my/our proxy to vote for me/us on my/our behalf at the Twenty Fourth Annual General Meeting of the Company to be held on 30<sup>th</sup> September, 2015 at 1.00 p.m. and at any adjournment thereof in respect of the resolutions as indicated below:

Item No.	Resolution	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the year ended 31 <sup>st</sup> March, 2015.			
2.	Declaration of dividend on equity shares for year ended 31 <sup>st</sup> March, 2015.			
3.	Re-appointment of Mr. Bimal R. Thakkar as Director liable to retire by rotation.			
4.	Ratification of appointment of M/s. Kalyaniwalla & Mistry, Chartered Accountants, Mumbai, as the Statutory Auditors of the Company to hold office till the conclusion of Annual General Meeting to be held for the Financial Year 2018-19.			

Item No.	Resolution	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
5.	Appointment of Ms. Anjali Seth as an Independent Director for a period upto March 09, 2020.			
6.	Re-appointment of Mr. Ashok H. Thakkar, Chairman for a period of 1 (one) year from 1 <sup>st</sup> October 2015 till 30 <sup>th</sup> September 2016 on such terms and remuneration as stated in the A.G.M. notice.			
7.	Re-appointment of Mr. Bimal R. Thakkar, Managing Director for a period of 1 (one) year from 1 <sup>st</sup> October 2015 till 30 <sup>th</sup> September 2016 on such terms and remuneration as stated in the A.G.M. notice.			
8.	Re-appointment of Mr. Bhavesh R. Thakkar, Executive Director for a period of 1 (one) year from 1 <sup>st</sup> October 2015 till 30 <sup>th</sup> September 2016 on such terms and remuneration as stated in the A.G.M. notice.			
9.	Approval/ratification of related party contract entered by the Company pursuant to Section 188 (1) (c) of the Companies Act, 2013.			
10.	Appointment of Mr. Mishal A. Thakkar as a person in place of profit u/s 188(1) (f) of the Companies Act, 2013.			
11.	Adoption of a new set of Articles Of Association in place of the existing Articles Of Association.			
12.	Maintenance of statutory registers at the Head office of the Company at Mumbai instead of its Registered office pursuant to Section 94 of the Companies Act, 2013.			

Signed this .....day of ..... 2015

Signature of Shareholder: .....



.....  
 Signature 1<sup>st</sup> Proxy holder

.....  
 Signature 2<sup>nd</sup> Proxy holder

.....  
 Signature 3<sup>rd</sup> Proxy holder

Note: This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

# SPICING UP OUR RANGE WITH NEW ENTRANTS



South Indian Style Pickles & Cooking Pastes



Mediterranean Bites



Chutneys made in Olive Oil



Aloo Tikki & Mini Samosas



Courier / Registered Post / Speed Post



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ADF Foods Ltd.,83/86 G.I.D.C Industrial Estate, Nadiad 387001,Gujrat, India.  
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