



ADF Foods Limited

CIN: L15400GJ1990PLC014265

Regd Office - 83/86 G I D C Industrial Area Nadiad 387001

Corp. Office - Sadhana House Unit No. 2/B, 2nd floor, 570, P.B. Marg, Worli, Mumbai - 400 018.

E-mail Id: co_secretary@adf-foods.com; Website: www.adf-foods.com

NOTICE OF POSTAL BALLOT

(Pursuant to Section 110 of Companies Act, 2013, read with Rule 22 of the Companies (Management & Administration) Rules, 2014

Dear Member(s),

Notice is hereby given pursuant to provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Management and Administration) Rules, 2014 ("the Rules") including any statutory amendment(s) or modification(s) or re-enactment(s) or substitution(s) thereof for the time being in force, that the Resolution appended below is proposed to be passed by the members as Special Resolution by way of Postal Ballot (including e-voting). An Explanatory Statement setting out the material facts concerning to the Resolution mentioned in the Postal Ballot and reasons thereof is annexed to the Postal Ballot Notice alongwith Postal Ballot Form (the "Form") for your consideration.

At a meeting held on Tuesday, June 5, 2018, the Board of Directors ("the Board") of ADF Foods Limited ('the Company'), in accordance with the provisions of Article 8.2 of the Articles of Association of the Company, and pursuant to the provisions of Sections 68, 69, 70, and other applicable provisions, if any, of the Companies Act, 2013, and applicable rules thereunder, and the provisions contained in the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 (including any statutory modification(s) or re-enactment thereof for the time being in force) ('Buy-back Regulations') approved the Buy-back by the Company of upto 10,00,000 (Ten Lakh) fully paid-up Equity Shares of Rs.10 each for an amount not exceeding Rs 30,00,00,000/- (Rupees Thirty Crore only) (Excluding transaction costs, brokerage and taxes, if any) (hereinafter referred to as "Transaction Costs"), being 14.52% of the paid-up equity share capital and free reserves as on the date of the latest audited financial accounts of the Company i.e. March 31, 2018, for a price not exceeding Rs. 300/- (Rupees Three Hundred only) per Equity Share from all the shareholders of the company excluding the Promoters, members of the Promoter Group and Persons in Control of the Company through the Stock Exchange mechanism from open market through BSE Limited, Mumbai ("BSE") and National Stock Exchange of India Limited ("NSE") in accordance with the Buy-back Regulations (the 'Buy-back').

The aforesaid approval of the Board for the Buy-back is subject to the approval of the Members of the Company by way of postal ballot (including e-voting) and subject to such other approvals, permissions and sanctions as may be necessary, and subject to such conditions and modifications, if any, as may be prescribed or imposed by such regulatory authorities while granting such approvals, permissions, and sanctions.

Pursuant to Rule 22(5) of the Companies (Management and Administration) Rules, 2014, the Board of Directors has appointed Mr. Sanjay Risbud, Practicing Company Secretary, (Membership No. 13774), as the Scrutinizer for conducting the Postal Ballot (including e-voting process) in a fair and transparent manner. Members holding equity shares of the company have both the options of voting i.e. by e-voting and through Postal Ballot Form. Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed on the Form, record your assent ("FOR") or dissent ("AGAINST") therein and return the Form in original duly completed in the attached self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours i.e. 5.00 p.m. (IST) on Thursday, 12th July, 2018. Forms received after this date will be strictly treated as if the reply from the concerned member has not been received. Kindly note that while exercising their vote, members holding Equity Shares of the Company can opt for only one of the two modes of voting i.e. either through the Postal Ballot Form or e-voting. If you are opting for e-voting, then do not vote through Postal Ballot Form and vice-versa. If a Member casts vote through E-Voting as well as Postal Ballot Form, the vote cast through E-Voting would be considered and vote cast through Postal Ballot Form shall be treated as invalid.

Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the Notice and Instructions in the Postal Ballot Notice and instructions overleaf the Postal Ballot Form. Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman. The result of the Postal Ballot would be announced by the Chairman or a person of the Company authorized by him in writing, not later than Saturday, 14th July, 2018 on or before 5.00 p.m. (IST) and the same will be placed, along with Scrutinizer's Report on the website of the Company i.e. www.adf-foods.com. The result would also be intimated to the Stock Exchange(s) where the Company's Shares are listed, and displayed along with the Scrutinizer's report on the website of the Company viz. www.adf-foods.com. The results, alongwith the Scrutinizer's Report shall also be forwarded to the Registrar and Share Transfer Agent, for the information of the Members. Further, the result of voting along with the Scrutinizer's Report shall be displayed on the Notice Board of the Company at the Registered Office and at the corporate office.

Approval for the Buy-back of Equity Shares of the Company

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

“RESOLVED THAT, in accordance with Article 8.2 of the Articles of Association of the Company, and pursuant to the provisions of Sections 68, 69, 70, 110 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), the Companies (Share Capital and Debentures) Rules, 2014 to the extent applicable, the Companies (Management and Administration) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force and subject to such other approvals, permissions, sanctions and exemptions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions, sanctions and exemptions, which may be agreed by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee or authorised person(s) which the Board has constituted or appointed to exercise its powers, as the case may be, including the powers, conferred by this Resolution), the consent of the members of the Company, be and is hereby accorded for the Buy-back by the Company of up to 10,00,000 (Ten Lakhs) fully paid-up Equity Shares of Rs. 10/- each (Rupees Ten Only) for an amount not exceeding Rs 30,00,00,000/- (Rupees Thirty Crore Only) (excluding brokerage, fees, turnover charges, taxes such as securities transaction tax, stamp duty, and other transaction charges, if any) (hereinafter referred to as “Transaction Costs”), being 14.52% of the paid-up equity share capital and free reserves as on the date of the latest Audited Financial Statements of the Company i.e. March 31, 2018, for a price not exceeding Rs. 300/- (Rupees Three Hundred Only) per Equity Share from all the shareholders of the Company excluding the Promoters/Promoter Company and persons who are in control of the Company through the Stock Exchange mechanism from open market through BSE Limited and The National Stock Exchange Of India Limited, in accordance with the Buy-back Regulations (the 'Buy-back');

RESOLVED FURTHER THAT, the Buyback of Equity Shares from non-resident Members of the Company, including Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs), Members of foreign nationality, etc., shall be subject to such approvals if, and to the extent necessary or required from the concerned authorities including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder, if any;

RESOLVED FURTHER THAT, the Company proposes to Buy-back Equity Shares for the minimum amount of Rs. 15,00,00,000/- (Rupees Fifteen crore Only) being 50% of the Maximum Buy-back size (“Minimum Buy-Back Size”), excluding Transaction Costs, representing 7.26% of the total paid-up Equity Share Capital and Free Reserves of the Company as on the date of the latest Audited Financial Statements of the company i.e. March 31, 2018 as approved by the Board of Directors in its meeting held on Tuesday, May 29, 2018;

RESOLVED FURTHER THAT, the Board of Directors of the Company, be and are hereby, authorized to delegate all or any other power(s) conferred herein above as it may in its absolute discretion deem fit, to Buy-back Committee of the Company comprising of Mr. Bimal R. Thakkar, Managing Director (DIN 00087404), Mr. Naresh L. Kothari (DIN 00012523), Director, Mr. Viren A. Merchant (00033464), Director and Ms. Shalaka Ovalekar, Company Secretary for the purpose of giving effect to above resolution, including but not limited to the appointment of Merchant Bankers, Brokers, Registrar, Depository Participants, Escrow Agents, Advertising agencies and other advisors/consultants/lawyers/intermediaries/ agencies, as may be required, for the implementation of Buy-back (including the decision to close the Buy-back once 50% of the amount earmarked for the purpose of Buy-back has been spent on the Buy-back), preparation, finalizing, signing and filing of the Public Announcement with the Securities and Exchange Board of India, the stock exchanges where the Equity Shares are listed and other appropriate authorities and to make all necessary applications to the appropriate authorities for their approvals including but not limited to approvals as may be required from the Securities and Exchange Board of India, Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder, and to make all necessary applications to appropriate authorities for their approval including but not limited to approval as may be required from Securities and Exchange Board of India (“SEBI”) and the rules and regulation framed by the SEBI and to carry out incidental documentation viz. public announcement, declaration of solvency, obtaining all necessary certificates and report from statutory auditors and other third parties as required under applicable law, extinguishment of dematerialized shares and physical share certificates and 'Certificates of Extinguishment' required to be filed in connection with the Buy-back on behalf of the Board of Directors of the Company and such other undertakings, agreements, papers, documents, filing such forms (including e-forms) including declaration of solvency, and to initiate all necessary actions for opening, operation and closure of necessary accounts including escrow account with Bank, commencing the Buy-back and deciding on the number of Equity Shares and price at which orders would be placed with the brokers and timing thereof, and such other undertakings, agreements, papers, documents and correspondence, under the Common Seal of the Company, as may be required to be filed in connection with the Buyback with the Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges, Registrar of Companies, Depositories and / or other regulators and statutory authorities as may be required from time to time,

correspondence as may be necessary in relation to the Buy-back with the SEBI, Reserve Bank of India, BSE Limited/The National Stock Exchange of India Limited, Registrar of Companies, Depositories and/or other concerned regulatory authorities, settling all questions, difficulties or doubts that may arise in relation to the proposed Buy-back at any stage in confirmations as may be necessary for the implementation of the Buy-back, without requiring to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authorities of this resolution;

RESOLVED FURTHER THAT, nothing contained herein shall confer any right on the part of any Members to offer and/or any obligation on the part of the Company or the Board or the Buyback Committee to Buyback any shares, and / or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such Buyback, if so permissible by law;

RESOLVED FURTHER THAT, for the purpose of giving effect to this Resolution, the Board and the Buyback Committee be and are hereby empowered and authorised on behalf of the Company to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as the Board and /or any person authorised by the Board of Directors may, in absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution;

RESOLVED FURTHER THAT the actual number of Equity Shares bought back will depend upon the actual price paid for the Buyback, excluding the Transaction Costs paid for the Equity Shares bought back and the aggregate amount paid in the Buyback, subject to the Maximum Buyback Size."

By Order of the Board of Directors
For ADF Foods Limited

Sd/-
Shalaka Ovalekar
Company Secretary

Date : June 5, 2018
Place : Mumbai

Notes:

- 1) The Explanatory Statement setting out the material facts concerning the item of business including reasons for the proposed Special Resolution pursuant to Section 110 of the Companies Act, 2013 is appended hereto. A Postal Ballot Form and a self-addressed business reply envelope are also enclosed.
- 2) In terms of Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the item of business set out in the Notice is sought to be passed through postal ballot.
- 3) The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members/ list of Beneficial Owners, received from National Securities Depository Limited ("NSDL")/Central Depository Services (India) Limited ("CDSL") as on Friday, 01st June, 2018 (cut-off date).
- 4) The voting shall be reckoned in proportion to a Member's share of voting rights on the paid-up Equity Share Capital of the Company as on Friday, 01st June, 2018.
- 5) Mr. Sanjay S. Risbud , Practicing Company Secretary (Membership no. 13774) , has been appointed by Board of Directors as the scrutinizer to the electronic voting process and physical postal ballot who shall prepare and submit his report of the votes cast in favor or not in favor/ against, to the Chairman on or before Saturday, 14th July, 2018 .
- 6) Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed on the Form, record your assent ("FOR") or dissent ("AGAINST") therein and return the same in original duly completed in the attached self-addressed, postage pre-paid envelope (if posted in India), Postal Ballot Form(s), if sent by courier or registered post or speed-post at the expense of the Member(s) will also be accepted. Postal Ballot Form(s) may also be deposited personally at the address given on the self-addressed postage pre-paid Business Reply Envelope. In case of shares held by companies, trusts, societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified copy of Board Resolution/Authority Letter.

- 7) The duly completed Postal Ballot Form should reach the Scrutinizer on or before the close of working hours i.e. by 5:00 p.m. on Thursday, 12th July, 2018. Please note that any Postal Ballot Form(s) received after that date will be treated as not having been received.
- 8) Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected. The Scrutinizer's decision on the validity of Postal Ballot Forms will be final and binding.
- 9) Members can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical Postal Ballot Form will be treated as invalid.
- 10) The Postal Ballot shall not be exercised by a Proxy.
- 11) The date of declaration of the postal ballot result shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.
- 12) The material documents, if any, referred to in the statement will be available for inspection at the Registered and corporate Office of the Company during 10:00 to 17:00 hours on all working days from the date of dispatch of notice till Thursday, 12th July, 2018.

Voting through electronic means (e-voting facility):

- 13) In compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Sections 108, 110 and other applicable provisions of Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an option to all members of the Company. The Company has entered into an agreement with Link Intime India Pvt. Ltd. to offer e-voting facility to all its shareholders to enable them to cast their votes electronically. Please note that e-voting is entirely optional for the shareholder(s) and that the shareholder(s) can opt only for one mode of voting.
- 14) References to Postal Ballot(s) in this Postal Ballot Notice include votes received electronically.

Instructions for shareholders to vote electronically:

❖ **Log-in to e-Voting website of Link Intime India Private Limited (LIPL)**

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

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

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

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

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

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

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

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

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

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

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.
7. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

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

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

❖ **General Guidelines for shareholders:**

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

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

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022 - 49186000.

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

The voting period begins on Wednesday , 13th June, 2018 at 10:00 a.m. and ends on Thursday, 12th July, 2018 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e Friday , 01st June, 2018 may cast their vote electronically. The e-voting module shall be disabled by Link Intime India Pvt. Ltd. for voting thereafter.

The Scrutinizer shall, after the time for voting is over, unblock the votes cast through e-voting in presence of at least 2 witnesses not in employment of the Company and, not later than Saturday , 14th July, 2018 submit a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the chairman or a person authorised by him in writing shall declare the result of the voting forthwith not later than Saturday , 14th July, 2018, in the format prescribed under Regulation 44(3) of the SEBI (LODR) Regulations, 2015.

The results declared along with the scrutinizer's report shall be placed on the website of the Company and Link Intime India Pvt. Ltd.) and communication of the same to BSE Limited/The National Stock Exchange of India Limited and will be placed on their website thereafter.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) AND 110 OF THE COMPANIES ACT, 2013 AND REGULATION 5(1) OF SEBI (BUY-BACK OF SECURITIES) REGULATIONS, 1998, AS AMENDED, FORMING PART OF THE NOTICE

Approval for the Buy-back of Equity Shares of the Company

As per the requirements of Section 102 read with Section 68 and other applicable provisions, if any of the Companies Act, 2013 and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998, as amended, the relevant and material information to enable the members to consider and approve the Special Resolution for Buy-back of the Company's shares is set out below.

- 1) The Board of Directors of the Company at its meeting held on Tuesday, June 5, 2018 has approved, subject to the consent of the members of the Company by way of Special Resolution through postal ballot and subject to such approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, the proposal for Buy-back of the Company's Equity Shares through the "Open Market" route through Stock Exchange mechanism in accordance with the Act, the Companies (Share Capital and Debentures) Rules, 2014 ("Rules"), to the extent applicable, the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, (the "Buyback Regulations"), as amended from time to time.

Since the Buyback is more than 10% of the total paid up equity capital and free reserves of the Company, in terms of Section 68(2)(b) of the Act, it is necessary to obtain the consent of the Members of the Company, to the Buyback, by way of a special resolution. Further, as per Section 110 of the Act read with Rule 22(16)(g) of the Rules, the consent of the Members of the Company to the Buyback is required to be obtained by means of postal ballot. Accordingly, the Company is seeking your consent for the aforesaid proposal as contained in the Resolution appended below.

- 2) The Buyback is proposed, considering the availability of accumulated reserves, expected future cash flows from business operations and funding requirements of the Company to fund its future plans. The Buy-back proposal is being implemented in keeping with the Company's desire to enhance overall member's value. The Buyback may lead to reduction in outstanding Equity Shares, improvement in 'earnings per share' and enhanced return on equity, based on the assumption that the Company would earn similar profits as in the past.
- 3) The Company intends to Buy-back its Equity Shares of face value of Rs.10 each at a price not exceeding Rs.300/- (Rupees Three Hundred Only) per Equity Share ("Maximum Buy-back Price") with the total aggregate amount to be utilized not to exceed Rs.30,00,00,000/- (Rupees Thirty crore Only) (maximum Buy-back size) which is less than 15% of the Company's fully paid-up share capital & free reserves as per the audited standalone financial statements of the Company as on March 31, 2018, as approved by the Board of Directors in its Meeting held on Tuesday, May 29, 2018.
- 4) In terms of Regulation 14(3) of the Buy-back Regulations, the Company shall ensure that at least 50% (fifty percent) of the maximum Buy-back size is utilized for the purposes of Buy-back.
- 5) The Buyback will be implemented by the Company by way of open market through BSE Ltd / National Stock Exchange Of India Ltd. (hereinafter referred to as "the Stock Exchange")

- 6) The Company shall not Buyback through negotiated deals whether on or off the Stock Exchanges or through spot transactions or through any private arrangements.
- 7) The maximum Buy-back Price of Rs.300/- (Rupees Three Hundred Only) has been arrived at after taking into consideration various factors including (but not limited to) book value, other financial ratios, market value as well as stock price performance on the Stock Exchanges and the possible impact of the Buy-back on the Company's earnings per share. The money required for the Buy-back will be drawn out of internal funds and free reserves of the company and will also be met out of the cash/bank balances and/or trade receivables.
- 8) The aggregate paid-up share capital and free reserves of the Company as on March 31, 2018 was Rs.206.60 Crores and under the provisions of the Act and the Buy-back Regulations, the funds deployed for the Buy-back shall be less than 15% of the total paid-up Equity Share capital and free reserves of the Company. Accordingly, the maximum amount that can be utilized in the present Buy-back is Rs.30,90,00,000 (Rupees Thirty crores and Ninety Lakh only). The aggregate amount proposed to be utilized for the Buy-back is Rs.30,00,00,000 (Rupees Thirty crore only) which is within the maximum amount as aforesaid. Further, under the Act, the number of Equity Shares that can be bought back during the financial year shall not exceed 25% of the total paid up Equity Share capital of the Company. Accordingly, the number of Equity shares that can be bought back during the financial year cannot exceed 53,00,365 Equity Shares being 25% of 2,12,01,461 Equity Shares of face value of Rs.10/- each as per the standalone financial statements as on March 31, 2018 as approved by the Board of Directors in its meeting held on Tuesday, May 29, 2018.

The number of Equity Shares bought back would depend upon the average price paid for Equity Shares bought back and aggregate consideration paid for such equity shares bought back. The maximum number of Equity Shares that can be bought back will be in consonance with Regulation 38 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015], Section 68 of the Companies Act, Buy-back Regulations and Maximum Buy-back Size. As an illustration, at the proposed Maximum Buy-back Price and at Maximum Buy-back Size, the indicative number of Equity Shares bought back would be 10,00,000 (Ten Lakhs). In case the average purchase price is lower than Rs.300/- per Equity Share, the number of Equity Shares bought back would be more however not exceeding 25% of the total issued and paid-up equity share capital of the Company as on the date of notice, assuming full deployment of Maximum Buy-back Size.

9)

- (a.) The aggregate shareholding of the Promoters and Promoters Group and the Directors of the Promoters where Promoter is a company and of persons who are in control of the Company as on June 05, 2018 are as given below:

| Sr. No. | Name of Shareholders | Number of Shares held | Percentage |
|-------------------------|---|-----------------------|------------|
| Individuals | | | |
| 1. | Bimal Ramesh Thakkar | 22,76,074 | 10.74 |
| 2. | Mahalaxmi Ramesh Thakkar | 19,58,022 | 9.24 |
| 3. | Mishal Ashok Thakkar | 21,098 | 0.10 |
| 4. | Ashok H Thakkar | 11,354 | 0.05 |
| 5. | Bhavesh Ramesh Thakkar | 7,51,450 | 3.54 |
| 6. | Priyanka Bhavesh Thakkar | 3,01,000 | 1.42 |
| 7. | Bimal Ramesh Thakkar HUF | 5,95,246 | 2.81 |
| 8. | Parul Bimal Thakkar | 3,16,007 | 1.49 |
| Bodies Corporate | | | |
| 9. | H J Thakkar Property Investment Limited | 2,38,399 | 1.12 |

In the promoter companies, the shareholding of the Promoter Directors and of the Promoter Companies is given below:

| Sr. No. | Name of Shareholders | Name of Promoter / Director | Percentage |
|---------|---|---|-------------------|
| | H J Thakkar Property Investment Limited | Ms. Parul B. Thakkar Ms. Priyanka B. Thakkar Ms. Suchita A. Thakkar | 20% 20% 40% |

While the Promoters and promoter group are not eligible to participate in the Buyback, depending on the number of Equity Shares bought back by the Company, their effective shareholding percentage in the Company will increase accordingly. Any increase in the percentage holding/voting rights of the Promoters is not an active acquisition and is incidental to the Buyback and falls within the limits prescribed under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

- (b.) The Promoters and promoter group will not participate in the Buyback. The Promoters and Promoter Group will not participate in voting in the Postal Ballot
- (c.) As on June 05, 2018, the Promoter Directors of the Company, hold shares in the company as given in the table above. None of the Directors /Shareholders has purchased or sold any Equity Shares of the Company during the period of twelve months preceding the date of Board Meeting held on Tuesday, June 5, 2018, except as follows;

| Name of Shareholder | Category of Shareholder | Aggregate quantity Purchased /Sold | Maximum Price per Equity share (Rs) | Date of Maximum Price | Minimum Price per Equity share (Rs) | Date of Minimum Price |
|-----------------------|-------------------------|------------------------------------|-------------------------------------|-----------------------|-------------------------------------|-----------------------|
| Naresh L Kothari | Director | 4,00,000 (Acquired) | 285.30 | 14 June 2017 | 285.30 | 14 June 2017 |
| Ashok H Thakkar | Promoter & Director | 10,00,000 (Disposed) | 280.45 | 14 June 2017 | 272.23 | 14 June 2017 |
| Ashok H Thakkar | Promoter & Director | 4,50,000 (Disposed) | 223.98 | 12 Sept 2017 | 223.98 | 12 Sept 2017 |
| Mishal A Thakkar | Promoter | 18,00,000 (Disposed) | 247.46 | 19 Sept 2017 | 225.87 | 19 Sept 2017 |
| Priyanka B Thakkar | Promoter | 8,00,000 (Disposed) | 323.58 | 27 Dec 2017 | 323.35 | 27 Dec 2017 |
| Bhaves R. Thakkar-HUF | Promoter | 5,24,060 (Disposed) | 269.46 | 18 May 2018 | 269.46 | 18 May 2018 |
| Bhaves R. Thakkar-HUF | Promoter | 48,940 (Disposed) | 261.47 | 21 May 2018 | 261.47 | 21 May 2018 |
| Bhaves R. Thakkar | Promoter | 4,25,000 (Disposed) | 263.47 | 21 May 2018 | 263.47 | 21 May 2018 |

Post the purchases/sales as above, the consolidated Promoters Shareholding stands at 64,68,650 equity shares which is 30.51% of the total paid up share capital of the Company.

- 10) As required under the Act, the ratio of the debt owed by the Company would not be more than twice the paid-up Equity Share Capital and free reserves post the Buyback.
- 11) As per the Buy-back Regulations, the Buyback is proposed to be completed within a maximum period of 6 (six) months from the date of opening of the Buy-back. The time frame will be determined by the Board of Directors (which expression shall also include a Buy-back Committee of the Company constituted for this purpose) within this validity period, subject to the relevant provisions of the Companies Act, 2013 and the Buyback Regulations, as amended
- 12) In compliance with the provisions of the Buyback Regulations, the Company shall not raise further capital for a period of one (1) year from the closure of the Buyback offer and the Company shall not issue any Equity Shares or other securities including by way of bonus issue or convert any outstanding instruments into Equity Shares.
- 13) In compliance with the provisions of the Buy-back Regulations, the Company shall not buy locked-in shares or other specified securities and non-transferable shares or other specified securities till the pendency of the lock-in or till the shares or other specified securities become transferable.
- 14) The Board of Directors confirms that there are no defaults (either in the past or subsisting) in repayment of deposits, interest payment thereon, redemption of debentures or preference shares, payment of dividend to any member, or repayment of term loans or interest payable thereon to any financial institution or any bank/banking company.
- 15) The Board of Directors of the Company have confirmed that they have made full inquiry into the affair and prospects of the Company and they have formed the opinion that:

- (a.) Immediately following the date of the Board Meeting i.e. Tuesday, June 5, 2018 and following the date on which the results of the member's resolution with regard to buy-back are declared, there will be no grounds on which the Company can be found unable to pay its debts;
- (b.) As regards the company's prospects for the year immediately following the date of the Board Meeting at which the proposal for Buy-back was approved by the Board i.e. Tuesday, June 5, 2018, and following the date on which the results of the members resolution with regards to the buyback are declared and having regards to the board's intentions with respects to the managements of the company's business during that year and to the amount and character of the financial resources which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board meeting at which the proposal for buy-back was approved by the Board and from the date on which the results of the members resolution with regard to the Buy-back are declared; and
- (c.) In forming their opinion aforesaid, the Board has taken into account the liabilities as if the Company was being wound up under the provisions of the Companies Act, 2013(including prospective and contingent liabilities).
- 16) The text of the report of M/s. Kalyaniwalla & Mistry LLP, the statutory Auditors of the company, dated June 5, 2018, addressed to the Board of Directors of the Company is reproduced below:

To,
The Board of Directors,
ADF Foods Limited
 Sadhana House, Unit 2B, Second floor,
 570, P.B. Road, Worli,
 Mumbai 400 018

Sub: Proposed buy back of equity shares.

Dear Sir,

1. We have been informed that, the Board of Directors of ADF Foods Limited ("the Company") at its meeting held on Tuesday, June 5, 2018, have decided to buy back company's share as allowed under Section 68, 69, 70, of the Companies Act, 2013("the Act") at a price not exceeding Rs. 300/- per equity share of Rs. 10/- each in terms of the requirement of Clause (xi) of Schedule II, Part A and Clause 24 of Schedule III of the Securities and Exchange Board of India (Buy back of securities) Regulation, 1998 as amended from time to time, (hereinafter called the "**Buyback Regulations**"), we confirm as under:
 - a) We have enquired into the state of affairs of the Company in relation to its audited accounts for the year ended March 31, 2018 as approved by the Board of Directors at their meeting held on May 29, 2018.
 - b) The amount of permissible capital payment of Rs. 3,099.23 lacs towards Buyback of Equity Shares (including premium) if any, as ascertained below in our view has been properly determined in accordance with Section 68 (2) (c) of the Companies Act, 2013.

The amounts of Share Capital and Free Reserves has been extracted from the audited financial statements of the Company for the year ended March 31, 2018 which have been adopted by the Board at the meeting held on May 29, 2018

| Particulars | Amount (Rs). (In lacs) |
|---|---------------------------|
| Issued, Subscribed and Paid-up share capital as at March 31,2018 | 2,120.15 |
| Shares forfeited | 37.83 |
| Free reserves as at March 31, 2018 | |
| - General Reserve | 763.97 |
| - Surplus in Statement of Profit & Loss | 12,687.08 |
| - Securities Premium Account | 5,051.12 |
| Total paid up capital and free reserves | 20,660.15 |
| Maximum amount permissible for the Buy-back being lower of | |
| a. 25% of total paid-up equity capital and free reserves as on March 31, 2018 (in accordance with section 68(2)© of the Act | 5,165.04 |
| b. Maximum amount permissible for the Buy-back from the open market i.e. 15% of total paid-up equity capital and free reserves (in accordance with proviso to Regulation 4(1) of the Buy-back Regulations). | 3,099.23 |
| c. Amount approved by the Board of Directors at the meeting held on June 5, 2018 | 3,000.00 |

- c) The Board of Directors in their meeting held on June 5, 2018 have formed their opinion in terms of Clause(x) of part A of schedule II of the Buy-back Regulations on reasonable grounds that the company will not, having regards to its state of affairs, be rendered insolvent within period of one year from the said date.
2. Based on the representation made by the Board of Directors and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we report that we are not aware of anything to indicate that the opinion expressed by Directors in the declaration as to any of the matters mentioned in the declaration as approved by the Board of Directors in their meeting held on June 5, 2018 is unreasonable in the circumstances in the present context.
3. We performed our Procedures, in accordance with the Guidance Note on Audit Reports and Certificates issued for special purpose issued by the Institute of Chartered Accountants of India. We have not performed an audit, the objective of which would be the expression of an opinion of the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion.
4. Compliance with the provisions of the Act and Rules is the responsibility of the Company's management. Our responsibility is to verify the factual accuracy based on our review procedures. This report is intended solely for your information and for the purpose of inclusion of the same a) in the explanatory statement to be annexed to the notice of postal ballot for authorizing buyback by passing a special resolution and b) in the Public Announcement for buyback of its share by the Company and is not to be used, referred or distributed for any other purpose without our written consent. Nothing contained in this report should be construed to be representation as to the future. We do not accept or assume any liability or duty of care for any other purpose, save where expressly agreed by our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number: 104607W/W100166

Sai Venkata Ramana Damarla
Partner

Membership No.107017

Place : Mumbai

Date : June 5, 2018

- 17) The Company shall transfer from its free reserves and/or securities premium account a sum equal to the nominal value of the Equity shares which are purchased through the Buy- back to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent financial statements.
- 18) The Company shall not withdraw the Buyback after the draft letter of Offer is filed with SEBI or the Public Announcement of the offer to Buyback is made. The Board of Directors of the Company commends this Special Resolution for your approval by Postal Ballot or e-voting.
- 19) The Buy-back from non- resident shareholders, Foreign Institutional Investors (FIIs) and shareholders of foreign nationality, etc. if any shall be subject to such approvals as are required including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder if any.

Accordingly, the Board of Directors of the Company recommend the passing of the Special Resolution as set out in the accompanying Postal Ballot Notice.

All Documents referred to in the accompanying Notice and Statement pursuant to Section 102(1) of the Companies Act, 2013 will be available for inspection at the Registered and Corporate office of the Company during working hours on all working days up to the date of last date of voting i.e. Thursday, 12th July, 2018.

Mr. Bimal R. Thakkar who is designated as Executive Chairman and Managing Director is a Promoter Director and he is holding the shares as mentioned above . Other promoters are also holding shares as mentioned above. Accordingly, Mr. Bimal R.Thakkar along with other members of the Promoter Group may be considered as interested in the said Special Resolution to the extent of Consequential increase in the percentage of the shareholding of promoters upon buyback of the Company's shares. Also the relatives of Mr. Bimal R. Thakkar are deemed to be interested in the Special Resolution to the extent of their shareholding.

By Order of the Board of Directors
For ADF Foods Limited


Shalaka Ovalekar
Company Secretary

Date : June 5, 2018
Place : Mumbai



ADF Foods Limited

CIN: L15400GJ1990PLC014265

Regd Office - 83/86 G I D C Industrial Area Nadiad 387001

Corp. Office - Sadhana House Unit No. 2/B, 2nd floor, 570, P.B. Marg , Worli , Mumbai - 400 018.

E-mail Id: co_secretary@adf-foods.com; Website: www.adf-foods.com

Postal Ballot Form

| | | |
|---|---|--|
| 1 | Name and Registered address of the Sole/ First named Shareholder | |
| 2 | Name of the Joint Holder(s), if any | |
| 3 | Registered Folio No. /DP ID No.* /Client ID No.* (*Applicable to Members holding shares in dematerialized form) | |
| 4 | No. of Shares Held | |

I/We hereby exercise my/our vote in respect of the **Special Resolution** enumerated below by sending my/our assent or dissent to the said Resolution by placing the tick (✓) mark at the appropriate box below:

| Item No. | Items | No. of Shares | I/We assent to the resolution (FOR) | I/We dissent to the resolution (AGAINST) |
|----------|---|---------------|-------------------------------------|--|
| 1 | Special Resolution for approving the Buy Back of Equity Shares of the Company | | | |

Place :

Date :

Signature of the Shareholder

ELECTRONIC VOTING PARTICULARS

| EVENT No. | USER ID | PAN / Sequence No. |
|-----------|---------|--------------------|
| 180062 | | |

Note:

1. Please read carefully the instructions overleaf before exercising your vote.
2. Please note that the last date for receipt of Postal Ballot Forms by the Scrutinizer is Thursday, July 12, 2018 till 5:00 P.M.
3. The voting period will start on Wednesday, June 13, 2018 at 10:00 A.M. and will end on Thursday, July 12, 2018 at 5:00 P.M.

INSTRUCTIONS:

1. GENERAL INFORMATION

- a) There will be one Postal Ballot Form / e-voting for every Client ID No. / Folio No., irrespective of the number of joint holders.
- b) Members can opt for only one mode of voting i.e. either by Postal Ballot or through e-voting. In case you are opting for voting by Postal Ballot, then please do not cast your vote by e-voting and vice versa. In case Members cast their votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through postal ballot form shall be considered invalid.
- c) Voting rights in the Postal Ballot / e-voting cannot be exercised by a proxy.

2. PROCESS FOR MEMBERS OPTING FOR VOTING BY POSTAL BALLOT

- a) A member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed and pre-paid postage envelope. The envelopes containing the Postal Ballots should reach the Scrutinizer not later than the close of working hours at 5.00 P.M. on Thursday, July 12, 2018. All forms received after this date will be treated as if reply from the shareholders has not been received.
- b) The voting rights of the members shall be in proportion to their shares in the total paid-up equity share capital of the company as on Friday, June 01, 2018.
- c) The self-addressed pre-paid envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company.
- d) This Form should be completed and signed by the Sole / First named Shareholder. In the absence of the First named Shareholder in a joint holding, the Form may be completed and signed by the next named shareholder. (However, where the Form is sent separately by the First named Shareholder and Joint Holder(s), the vote of First named Shareholder would be valid).
- e) There will be One Postal Ballot Form for every Folio irrespective of the number of joint shareholder(s).
- f) In case of shares held by companies, trusts etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/Authority, with signatures of Authorized Signatories.
- g) Members are requested not to send any other matter along with Postal Ballot Form in the enclosed self-addressed postage prepaid envelope. If any extraneous papers are found, the same will be destroyed by the Scrutinizer.
- h) Incomplete, unsigned or incorrectly filled Postal Ballot Forms are subject to rejection by the Scrutinizer.
- i) The votes should be cast either in favour of or against by putting the (✓) in the column provided for assent or dissent. Postal Ballot Forms bearing tick mark in both columns will render the Form incorrect and votes contained therein invalid.
- j) A Member seeking duplicate Postal Ballot Form or having any grievance pertaining to the Postal Ballot process can write to the Company's Corporate office address at Sadhana House, Unit No. 2/B, 2nd floor, 570, P.B. Marg, Worli, Mumbai - 400 018

Note:

Member(s) who wish to cast their vote by E-Voting, please refer the Procedure of E-Voting in Notice of the Postal Ballot.