



NEW PRODUCTS. ETHNIC RECIPES.



NEW MARKETS. TRADITIONAL WISDOM.



NEW BEGINNINGS. AGE OLD VALUES.

**ADF FOODS LTD**  
Formerly known as American Dry Fruits Ltd.

Dear Shareholder,

*We* have entered a defining phase in our corporate life. There's an air of buoyancy as we chart a new path. New ideas have given shape to our destiny. That is, to rank as one of the leading processed foods company in India. In fact, for the last 3 years your company has been conferred the prestigious APEDA award (Ministry of Commerce) for exceptional performance in exports.

There are a lot of reasons that make this year special. One: several new flavours have rolled off our lines to tickle every Indian palate. Both North and South Indian. The feedback from the market has been very encouraging.

Next is our aggressive expansion in the overseas market. Our British, American, Canadian and Middle East operations have reached a threshold value and is poised to perform strongly. In addition to our existing product lines in the US and UK markets, we have introduced a new brand - "Classic-Ashoka". Its range of chutneys, pickles and canned ready-to-eat foods has been specially created to suit the overseas mainstream market. The South East Asian market holds a lot of promise and the initial market feedback has been positive.

To add flavour to these developments, our corporate identity has undergone a transformation. A new thinking that graphically highlights the core of our company. One that showcases our modern management philosophy and yet strongly reflects the traditional wisdom that has successfully guided our growth. The new identity features on the cover of this annual report. It encompasses our entire spectrum of operations - **the spice pounder** represents the spice processing business, the handi talks graphically about our ready-to-eat and ready-to-cook products and the porcelain jar symbolises our pickles and chutney division. The design motifs display fine aesthetic sense, modern design values and yet strongly anchors the traditional values of the group.

There's something new even as I end. The year 2000 - 2001 will witness our entry into the frozen foods segment with ready-to-eat and ready-to-cook Indian foods.

Next year this page will feature the thoughts of a new chairman. This is in tune with the tradition of constant evolution and enterprise that has kept the ADF flag flying high. It's been a fruitful stint at the top and I sincerely hope that as we grow you will strengthen the company with continued support.



*Hariram Jeram*

HARIRAM JERAM THAKKAR  
Chairman

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**10TH ANNUAL GENERAL MEETING**

*On Wednesday, 13th September 2000,  
at 11.00 a.m.  
at Sheth Khushaldas Gokaldas Municipal Town Hall,  
Station Road, Nadiad-387 001,  
Gujarat.*

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

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**BOARD OF DIRECTORS**

Shri Hariram J. Thakkar	<i>Chairman</i>
Shri V. R. Momaya	
Shri S. A. Naik	
Shri D. E. Udwardia	<i>Additional Director</i>
Shri Ramesh H. Thakkar	<i>Managing Director</i>
Shri Kishore H. Thakkar	<i>Joint Managing Director</i>
Shri Ashok H. Thakkar	<i>Executive Director</i>
Shri Nipun Shah	<i>Additional Director</i>
Shri Yasir Varawala	<i>Additional Director</i>
Shri Vikram Munshi	<i>Additional Director</i>

**SENIOR MANAGEMENT**

Bimal R. Thakkar	<i>President</i>
Nagin C. Patel	<i>Vice President (Works)</i>
R. Lakshmi Narasimhan	<i>Vice President (Sales &amp; Mkt.)</i>
Bhaves R. Thakkar	<i>Vice President (Finance)</i>
Kedar S Sapre	<i>Factory Manager</i>
Dilip S. Golwala	<i>Finance &amp; Accounts Manager</i>

**AUDITORS**

D. P. Ghevaria & Co.  
*Chartered Accountants*

K. D. Godbole  
*Chartered Accountants*

**SOLICITORS**

Thakker &amp; Thakker

**CONSULTANT  
(SECRETARIAL & LEGAL)**

M/s. Mehta & Mehta  
*Practicing Company Secretaries*

**BANKERS**

State Bank of Hyderabad  
Bank of Baroda  
State Bank of India

**REGISTERED OFFICE**

83/86 G.I.D.C. Industrial Estate  
Nadiad-387 001  
Gujarat.

**REGISTRARS AND SHARE  
TRANSFER AGENTS**

K. R. Financial & Management Services Pvt. Ltd.  
103 Omex Apartments  
64 Sahar Road, Koldongri, Andheri (East), Mumbai-400 069.



## NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting of the Members of the Company will be held at Sheth Khusaldas Gokaldas Municipal Town Hall, Station Road, Nadiad-387 001, Gujarat, on Wednesday the 13th day of September 2000, at 11.00 a.m., to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2000, the Profit and Loss Account for the year ended as on that date and the Report of the Directors and the Auditors thereon.
2. To appoint Auditors and fix their remuneration.

### SPECIAL BUSINESS

3. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 257 of the Companies Act, 1956, Shri D. E. Udawadia, who was appointed as an Additional Director at the Board Meeting held on 10th August 2000 and whose term of office expires at the commencement of this meeting and in respect of whom notice under section 257 of the Companies Act, 1956, has been received from a member signifying his intention to propose Shri D. E. Udawadia, as a candidate for the office of the Director of the Company, together with necessary deposits, be and is hereby appointed as Director of the Company, liable to retire by rotation."

4. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 257 of the Companies Act, 1956, Shri Nipun Shah, who was appointed as an Additional Director at the Board Meeting held on 10th August 2000 and whose term of office expires at the commencement of this meeting and in respect of whom notice under section 257 of the Companies Act, 1956, has been received from a member signifying his intention to propose Shri Nipun Shah, as a candidate for the office of the Director of the Company, together with necessary deposits, be and is hereby appointed as Director of the Company, liable to retire by rotation."

5. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 257 of the Companies Act, 1956, Shri Yasir Varawala, who was appointed as an Additional Director at the Board Meeting held on 10th August 2000 and whose term of office expires at the commencement of this meeting and in respect of whom notice under section 257 of the Companies Act, 1956, has been received from a member signifying his intention to propose Shri Yasir Varawala, as a candidate for the office of the Director of the Company, together with necessary deposits, be and is hereby appointed as Director of the Company, liable to retire by rotation."

6. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 257 of the Companies Act, 1956, Shri Vikram Munshi, who was appointed as an Additional Director at the Board Meeting held on 10th August 2000 and whose term of office expires at the commencement of this meeting and in respect of whom notice under section 257 of the Companies Act, 1956, has been received from a member signifying his intention to propose Shri Vikram Munshi, as a candidate for the office of the Director of the Company, together with necessary deposits, be and is hereby appointed as Director of the Company, liable to retire by rotation."

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**7. Non-filling up of Director's vacancy**

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

"RESOLVED THAT the vacancy of a Director arising as a result of retirement by rotation of Shri V. R. Momaya, Director, at this Annual General Meeting be not filled."

**8. Non-filling up of Director's vacancy**

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

"RESOLVED THAT the vacancy of a Director arising as a result of retirement by rotation of Shri S. A. Naik, Director, at this Annual General Meeting be not filled."

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

"RESOLVED THAT pursuant to Section 31(1) and other applicable provisions, if any, of the Companies Act, 1956 ('the Act') the Articles of Association of the Company be and are hereby altered in the following manner:

**A. Insert the following definitions in the existing Article 2, in alphabetical order:**

"Beneficial Owner" means a person whose name is recorded as such with a Depository.

"Bye-laws" means bye-laws made by a Depository under Section 26 of the Depositories Act.

"Depositories Act" means The Depositories Act, 1996, including any statutory modifications or re-enactments thereof for the time being in force.

"Depository" means a Company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration under Sub-Section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.

"Member" means a duly registered holder from time to time of the shares of the Company and includes every person whose name is entered as a Beneficial Owner in the records of the Depository.

"Participant" means a person registered as such under Section 12(1A) of The Securities and Exchange Board of India Act, 1992.

"Record" includes the records maintained in the form of books or stored in Computer or in such other form as may be determined by regulations made by SEBI in relation to the Depositories Act.

"Regulations" means the regulations made by SEBI.

"SEBI" means the Securities and Exchange Board of India established under Section 3 of The Securities and Exchange Board of India Act, 1992.

"Security" means such security as may be specified by SEBI.

Words and expressions used and not defined in this Article shall have the same meaning as respectively assigned to them in the Act.

**B. Insert the following Article as Article 25B after the existing Article 25A:****Article 25B****DEMATERIALISATION OF SECURITIES:**

Either the Company or the investor may exercise an option to issue, deal in, hold Securities (including Shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialised in which event the rights and obligations of the



parties concerned and matters connected therewith or incidental thereof shall be governed by the provisions of the Depositories Act, as amended from time to time or any statutory modification thereto or re-enactment thereof.

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing Securities, rematerialise its Securities held in the Depositories and/or offer its fresh Securities in a dematerialised form pursuant to the Depositories Act and the rules framed thereunder, if any.

**Option to receive security certificates or hold securities with Depository:**

Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. If a person opts to hold his Security with a Depository, the Company shall intimate such Depository the details of allotment of the Security and on receipt of the information, the Depository shall enter in its records the name of the allottees as the Beneficial Owner of the security.

**Securities in Depositories:**

All Securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

**Rights of Depositories and Beneficial Owners:**

- (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner.
- (b) Save as otherwise provided in (a) above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights as the case may be in respect of the Securities held by it.
- (c) Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a Depository.

**Beneficial Owner deemed as absolute Owner:**

Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any Share or where the name appears as the Beneficial Owner of the Security in the records of the Depository, as the absolute owner thereof. The Company shall not be bound to recognise any benami trust or equitable, contingent, future or partial interest in the Security (except otherwise provided by the Articles) or any right in respect of the Security other than an absolute right thereto in accordance with these Articles on the part of any other person whether or not it has express or implied notice thereof, but the Board shall subject to the provisions of the Act, be at its sole discretion to register the Security in the joint names of any two or more persons or survivor or survivors of them.

**Depository to furnish information:**

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

**Cancellation of certificates upon surrender by a person:**

Upon receipt of Certificate of Securities for dematerialisation in terms of the applicable provisions of appropriate Acts or rules, the Company shall cancel such certificates and substitute in its records, the name of the Depository as the owner in respect of the said Securities and shall also inform the Depository accordingly.

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**Option to opt out in respect of any security:**

If a Beneficial Owner seeks to opt out of a Depository in respect of any security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above, make appropriate entries in its records and shall inform the Company. The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfillment of such conditions and payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial Owner or the transferee as the case may be.

**Service of Documents:**

Notwithstanding anything in the Act, or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository to the Company by means of electronic mode or by delivery of floppies or discs.

**Provisions of the Act and Articles to apply to Securities held in the Depository:**

All the provisions of the Act and Articles of Association of the Company, particularly the provision relating to joint holding, calls, lien, forfeiture and transfer and transmission of securities shall also be applicable to securities held in the Depository.

**Allotment of Securities dealt within a Depository:**

Notwithstanding anything in the Act or these Articles where securities are dealt with Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

**Distinctive number of shares held in the Depository:**

The shares in the capital shall be numbered progressively according to their several denominations, provided however, that the provisions relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form.

**Power to Board to take necessary actions to Dematerialise Securities offered by the Company:**

The Board is authorised to take all such actions and steps as may be necessary to dematerialise listed securities offered by the Company including executing deeds, documents and papers and appointing such persons and agencies as may be necessary to facilitate dematerialisation/rematerialisation and trading in such securities.

**C. Insert the following Article as Article 25C after the newly inserted Article 25B.****Article 25C****Register and Index of Beneficial Owners:**

The Company shall cause to keep a Register and Index of Members and a Register and Index of Debenture holders in accordance with Section 150, 151, 152 of the Act respectively read with the applicable provisions of the Depositories Act with details of Shares and Debentures held in material and demat forms in any media as may be permitted by law. The Register and Index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act shall be deemed to be the Register and Index of Members and Register and Index of Debenture holders, as the case may be, for the purpose of the Act. The Company shall have the power to keep in any state or country outside India, a branch Register of Members in respect of the resident in that state or country.





**D. Insert the following Article as Article 25D after the newly inserted Article 25C**

**Article 25D**

**NOMINATION:**

Notwithstanding anything contained in these Articles and subject to Section 109A of the Act:

Every holder of shares or debentures of the Company, may at any time nominate, in the prescribed manner a person to whom his shares in or debentures of the Company shall vest in the event of his death. A member may revoke or vary his or her nomination at any time by notifying the Company to that effect.

Where the shares or debentures of the Company are held by more than one person jointly, the joint holders may together nominate in the manner prescribed under the Act, a person to whom all the rights in the shares or debentures of the Company shall vest in the event of death of all joint holders.

Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the shares or debentures where a nomination is made in the manner prescribed under the Act, purports to confer on any person the right to vest the shares or debentures of the Company the nominee shall, on the death of the shareholder or the debenture holder concerned, or on the death of the joint holders become entitled to all the rights in the shares or debentures of the Company of such shareholder or holder of debentures or as the case may be of all the joint holders, in relation to such shares in or debentures of the Company to the exclusion of all other persons unless the nomination is cancelled in the manner prescribed under the Act.

Where the nominee is a minor, the holder of the shares or debentures concerned can make the nomination to appoint, in the prescribed manner under the Act any person to become entitled to the shares or debentures concerned in the event of his death, during the minority.

Notwithstanding anything contained in these Articles, any person who becomes a nominee under the provisions of Section 109A, and to whom the shares in or debentures of the Company have vested on the death of the shareholder or holder of the debentures of the Company, or as the case may be, on the death of the joint holders, upon the production of such evidence as may be required by the Board and subject as hereinafter provided elect either to be registered himself as holder of the share or debenture as the case may be or to make such transfer of the share or debenture, as the case may be, as the deceased shareholder or debenture holder as the case may be, could have made.

If the person being a nominee, so becoming entitled, elects to be registered as holder of the share or debenture himself as the case may be, he shall deliver or send to the Company a notice in writing duly signed by him that nominee concerned so elects and such notice shall be accompanied with the death certificate of the deceased shareholder / debenture holder, as the case may be.

All the limitations, restrictions and provisions of this Act relating to the right to transfer and the registration of transfers of shares or debentures shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer were signed by that shareholder or debenture holder, as the case may be.

A person being a nominee becoming entitled to share or debenture by reason of the death of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share or debenture except that he shall not, before being registered as member in respect of his share or debenture, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

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Provided that the Board may, at any time give notice requiring any such person to elect to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold all payments of all dividend, bonus or other money payable in respect of the share or debenture, until the requirements of the notice have been complied with.

The Board shall, in either case, have the same right to decline or suspend registration, as it would have had, if the deceased shareholder or debenture holder as the case may be had transferred the shares or debentures as the case may be, before his death.

No person shall be recognised by the Company as a nominee unless the shareholder has, during his life time, given an intimation to the Company of his having appointed a nominee in the manner specified under Section 109A of the Companies Act, 1956.

The Company shall not be in any way responsible for transferring the shares and/or debentures consequent upon such information.

If the holder of the share or debenture survives the nominee, then and in such case, the nomination made by the registered holder shall be of no effect and shall automatically stand revoked.

A depositor may, at any time, make a nomination and the provisions of Section 109A and 109B shall as far as may be applicable to such nominations made pursuant to the provisions of Section 58A(11) of the Companies Act, 1956.

**E. Insert the following Articles as Article 54(d) and 54(e) after the existing Article 54(c).**

**Article 54(d)**

**Register of Transfers:**

The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share held in material form.

**Article 54(e)**

**Trading and Transfer of Securities:**

Trading and transfer of securities can be effected in the form permitted by appropriate authorities from time to time."

By Order of the Board of Directors

RAMESH H. THAKKAR  
*Managing Director*

*Mumbai, August 10, 2000.*

**Registered office:**

83/86, G.I.D.C. Industrial Estate  
Nadiad- 387 001, Gujarat.