



12th November, 2024

National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. Symbol: ADFFOODS	BSE Limited, Department of Corporate Services, Phiroze Jeejeebhoy Towers , Dalal Street, Mumbai - 400 001. Scrip Code: 519183
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Dear Sir/Madam,

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and in furtherance to our intimation dated 02nd January, 2024, 29th February, 2024 and 01st March, 2024, we would like to inform that the Company has received an order from the Regional Director (RD) – North Western Region, Ministry of Corporate Affairs Ahmedabad accepting the appeal under Section 454 of the Companies Act, 2013 read with Rule 3 of the Companies (Adjudication of Penalties) Rules, 2014 for alleged violation of provisions of Section 196 read with clause (e) of Part I of Schedule V of the Companies Act, 2013 and further setting aside the order dated 20th February, 2024 passed by Adjudicating Officer - Registrar of Companies (ROC) – Gujarat.

Please find attached herewith the copy of the aforesaid Order received from the Regional Director (RD) – North Western Region, Ministry of Corporate Affairs Ahmedabad.

The disclosure as required under Regulation 30 of Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFDPoD-1/P/CIR/2023/123 dated 13th July, 2023, is enclosed as **Annexure I**.

Please take the same on your records.

Thanking you.

Yours faithfully,
For **ADF Foods Limited**

Shalaka Ovalekar
Company Secretary

Encl: As Above



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Corp. Off: Marathon Innova, B2, G01, Ground Floor, G. K. Road, Lower Parel, Mumbai 400 013. INDIA.
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Annexure 1

Details in terms of Regulation 30 read with Schedule III of the Listing Regulations and SEBI Circular No. SEBI/HO/CFD/CFDPoD-1/P/CIR/2023/123 dated 13th July, 2023:

Sr. No.	Particulars	Details
1.	Name of the Authority	Regional Director (RD) – North Western Region, Ministry of Corporate Affairs Ahmedabad.
2.	Nature and details of the action(s) taken, initiated or order(s) passed	The Company has received an order from the Regional Director (RD) – North Western Region, Ministry of Corporate Affairs Ahmedabad accepting the appeal under Section 454 of the Companies Act, 2013 read with Rule 3 of the Companies (Adjudication of Penalties) Rules, 2014 for alleged violation of provisions of Section 196 read with clause (e) of Part I of Schedule V of the Companies Act, 2013 and further setting aside the order dated 20 th February, 2024 passed by Adjudicating Officer - Registrar of Companies (ROC) – Gujarat.
3.	Date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority	Order No. 454(5)/ ADF Foods Ltd./196/F94642949/2023-24/3320 dated 5 th November, 2024 received on 11 th November, 2024.
4.	Details of the violation(s)/contravention(s) committed or alleged to be committed;	<p>The Adjudicating Officer – ROC Ahmedabad through its order dated 20th February, 2024 had imposed a penalty for alleged contravention of Section 196 of the Companies Act, 2013 read with clause (e) of Part – 1 of the Schedule V of the Companies Act, 2013 by the Company and its Officers in Default.</p> <p>The Company had appealed against the aforesaid order of ROC before the Regional Director.</p> <p>The Regional Director, North West Region, Ministry of Corporate Affairs Ahmedabad through its order dated 5th November, 2024 stated as under:</p>

		“Upon the textual reading of Section 196(4) and Schedule V of the Companies Act, 2013 and facts submitted by the Appellant / authorized representatives, it may be understood that it was not a fit case for adjudication by ROC, therefore, in such circumstances, the appeal is hereby allowed and order dated 20.02.2024 passed by the Adjudicating Officer is set aside.”
5.	Impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible	Not Applicable.

BEFORE THE REGIONAL DIRECTOR, NORTH-WESTERN REGION
MINISTRY OF CORPORATE AFFAIRS, AHMEDABAD

प्रादेशिक निदेशक, उत्तर-पश्चिम क्षेत्र, कारपोरेट कार्य मंत्रालय, अहमदाबाद के समक्ष

सं. - प्रादे. निदे. (उ.प.क्षे.)/454(5)/ ADF Foods Ltd. / 196 / F94642949/2023-24/ 3320

In the matter of ADF FOODS LIMITED

AND

In the matter of an Appeal under sub-Section (5) of Section 454 of the Companies Act, 2013.

AND

In the matter of offence committed under Section 196 of the Companies Act, 2013.

1. ADF Foods Limited
2. Bimal Ramesh Thakkar
3. Shalaka Swapnil Ovalekar

... .. Appellants

Present: Ms. Shalaka Ovalekar, Company Secretary of the company and Mr. Sohan Kinkhabwala, Advocate and Authorized Representative of the company appeared on behalf of the appellants on 10/10/2024.

ORDER

This is an appeal under sub-Section (5) of Section 454 of the Companies Act, 2013 (hereinafter called as "the Act") read with Companies (Adjudication of Penalties) Rules, 2014 (hereinafter referred to as the "Rules") from 'ADF FOODS LIMITED' (hereinafter called as "the Company" or "Appellant") having CIN "L15400GJ1990PLC014265" and Director/Officer of the company for violating provisions of Section 196 of the Companies Act, 2013.

2. This appeal has been filed with the appellate forum being the Regional Director and having jurisdiction in the State of Gujarat, Rajasthan, Madhya Pradesh and Chhattisgarh.
3. That 'ADF FOODS LIMITED' is a Company registered under the provisions of Companies Act and having its registered office at 83/86 G I D C Industrial Area, Nadiad, Gujarat, India, 387001.
4. This appeal has been filed against the order passed by Registrar of Companies (ROC), Gujarat for violating provisions of Section 196 of the Companies Act, 2013 as amended by Companies (Adjudication of Penalties) Amendment Rules, 2019 vide Order No. ROC-GJ/190/ORDER U/S -454/ ADF FOODS/2023-24/5474 to 79 dated 20/02/2024.
5. This appeal in requisite Form ADJ having SRN F94642949 was filed on 19/04/2024. As per provisions of sub-Section (6) of Section 454, every appeal under sub-section (5) of Section 454 of the Act shall be filed within sixty (60) days from the date on which the copy of the order made by the adjudicating officer is received by the aggrieved person. On examination of the application/appeal, it is seen that the said application/appeal has been filed within 60 days from the date of receiving of the adjudication order.
6. ROC vide his order dt. 20/02/2024 has stated as follows: -
 - a. The Appellant Company and its officers, who have defaulted on the provisions of Section 196 r.w. clause (e) of Part-I of the schedule V of the Companies Act for "not seeking the permission of the Central Government for previous appointment of Mr.

Bimal Ramesh Thakkar (DIN: 00087404) as Managing Director from 01.10.2018 to 30.09.2023 in terms of the proviso to section 196 read with clause (e) of Part-I of the Companies Act, 2013 in spite of the appointee being out of India for 109 days".

b. ROC, Gujarat, in exercise of the powers conferred on him vide notification dated 24/03/2015 and after taking into account the facts and circumstances of the case has imposed the penalty on the company and its officers in default pursuant to Rule 3(12) of Companies (Adjudication of Penalties) Rules, 2014 and proviso of the said Rule and Rule 3(14) of Companies (Adjudication of Penalties) Rules, 2014 r.w. General Circular No.1/2020 dated 02/03/2020; as per table below for Violation of section 196 r.w. clause (e) of Part-I of the schedule V of the Companies Act, 2013. :-

Sr. No.	Name of Defaulters	No. Of Days	Penalty Calculated default (Rs.) in pursuant to Section 450 of the Companies Act, 2013.	Maximum Penalty in pursuant to Section 45 of the Companies Act, 2013.	Penalty Imposed (In Rs.)
1.	ADF Foods Limited	1826	$10000+1826*1000=18,27,000$	2,00,000	2,00,000
2.	Bimal Ramesh Thakkar	1826	$10000+1826*1000=18,27,000$	50,000	50,000
3.	Shardul Arvind Doshi	1826	$10000+1826*1000=18,27,000$	50,000	50,000
4.	Anish Sushil Jhaveri	621	$10000+621*1000=6,31,000$	50,000	50,000
5.	Shalaka Swapnil Ovalekar	1826	$10000+1826*1000=18,27,000$	50,000	50,000

7. Aggrieved by the said order, an appeal in requisite Form ADJ having SRN F94642949 has been filed on 19/04/2024, wherein, the grounds of relief and prayers are as under:
The impugned order is required to be quashed and set aside in the overall interest of justice or such other and further order may be passed and relief may be granted.

A Personal Hearing in the matter fixed on 10/10/2024. Ms. Shalaka Ovalekar, Company Secretary of the company and Mr. Sohan Kinkhabwala, Advocate appeared before the Appellate Authority and Kamal Harjani, Joint Director of this Directorate was also present.

9. That during the hearing, Ms. Shalaka Ovalekar, Company Secretary of the company and Mr. Sohan Kinkhabwala, Advocate denied contravention of Section 196 read with Clause (e) of Part-1 of the Schedule V of the Companies Act, 2013 and reiterated the same facts as mentioned in their appeal.

10. That provisions of Section 196(4) and Clause (e) of Part-I of Schedule V of the Companies Act, 2013 provides

Section 196(4) of the Companies Act, 2013

"Subject to the provisions of Section 197 and Schedule V, a Managing Director, Whole-time Director or manager shall be appointed and the terms and conditions of such appointment and remuneration payable be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company and by the Central Government in case such appointment is at variance to the conditions specified in Part I of Schedule."

Clause (e) of Part-I of Schedule V of the Companies Act



"No person shall be eligible for appointment as a Managing or Whole Time Director or a Manager of a company unless he satisfies the following conditions, namely -

(e) he is resident of India.

Explanation I - For the purpose of this Schedule, resident in India includes a person who has been staying in India for a continuous period of not less than 12 months immediately preceding the date of his appointment as a Managerial person and who has come to stay in India, -

- (i) For taking up employment in India; or
- (ii) For carrying on a business or vacation in India.

Explanation II - This condition shall not apply to the companies in Special Economic Zones as notified by Department of Commerce from time to time:

Provided that a person, being a non-resident in India shall enter India only after obtaining a proper Employment Visa from the concerned Indian Mission abroad. For this purpose, such person shall be required to furnish along with the Visa Application form, profile of the company, the principal employer and terms and conditions of such person's appointment."

On going through above provisions, it can be observed that a resident of India can be considered for appointment of Managing or Whole Time Director or a Manager of a company. And conditions mentioned in Explanations are not applicable in case of a Resident in India. However, if person who is not a resident of India must comply with the conditions given in these Explanations.

11. That in the instant case, Shri Bimal Ramesh Thakkar was re-appointed as the Chairman, Managing Director and CEO of the company vide Board Resolution dated 25-07-2018 for a period of 05 years commencing from 01.10.2018 to 30.09.2023. The said appointment was approved by the Shareholders of the company at the General Meeting of the company held on 15.09.2018 and at that time Shri Thakkar was resident of India. Therefore, no permission from the Central Government was required to be obtained in terms of Section 196, read with Schedule V of the Act.

Further, stay of Mr. Bimal Thakkar, who was resident in India, of various countries during the period from 01.10.2018 to 30.09.2023 did not affect his resident-ship in India and thereby, he did not need to take approval of the Central government under Section 196 read with Schedule V of the Companies Act, 2013.

12. Upon the textual reading of Section 196(4) and Schedule V of the Companies Act, 2013 and facts submitted by the Appellant/authorized representatives, it may be understood that it was not a fit case for adjudication by ROC, therefore, in such circumstances, the appeal is hereby allowed and order dated 20.02.2024 passed by the Adjudicating Officer is set aside.

13. A copy of this order shall be published on the website of the Ministry of Corporate Affairs as per Rules.

Signed and sealed on 05th day of November 2024.

(G.C. YADAV)

REGIONAL DIRECTOR (I/C)
NWR, AHMEDABAD



To,

1. **ADF FOODS LIMITED**
83/86 G I D C Industrial Area, Nadiad, Gujarat-387001.
2. **Bimal Ramesh Thakkar**
Ocean View, Bhulabhai Desai Road,
Mumbai, Maharashtra-400026.

3. Shalaka Swapnil Ovalekar

C/404, Satellite Parkcaves Road, Nr. Jogeshwari Fatak, Jogeshwari,
East Mumbai - 400060, Maharashtra, India.

4. Registrar of Companies, Ahmedabad, Gujarat.

5. E-Gov Cell, Ministry of Corporate Affairs, New Delhi.

6. Master Copy.

7. Office Copy.




(KAMAL HARJANI)
DEPUTY DIRECTOR