



Tasty Bite Eatables Limited

REMUNERATION POLICY OF TASTY BITE EATABLES LIMITED

INTRODUCTION:

As per the provisions of section 178 of the Companies Act, 2013 (“the Act”) and SEBI (Listing and Disclosure Obligations) Regulations, 2015 (as may be modified from time to time), this Policy relating to the nomination and remuneration of the Directors, Key Managerial Personnel and Senior Management of Tasty Bite Eatables Limited (“the Company”) has been formulated by the Nomination and Remuneration Committee (“the Committee”) and approved by the Board of Directors.

The Policy determines a framework for remuneration to be paid to the members of Board of Directors (“the Board”), Key Management Personnel (“KMP”); and Senior Management Personnel (“SMP”). It also determines the evaluation process of the Board.

The Policy may be reviewed/ amended/ modified by the Board and/ or Remuneration and Nomination Committee from time to time.

I. Definitions:

1. **Key Managerial Personnel (“KMP”)** - KMP would mean the same as defined under section 2 (51) of the Companies Act, 2013. KMP means-
 - i. Chief Executive Officer or Managing Director or Manager;
 - ii. Company Secretary;
 - iii. Whole Time Director;
 - iv. Chief Financial Officer;
 - v. Such other officer, not more than one level below the directors who is in whole time employment, designated as KMP by Board; and
 - vi. Such other as may be prescribed.



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2. **Senior Management Personnel (“SMP”)** - Senior Management would mean 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 functionalheads.
3. **“Committee”**- means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable Listing Regulations.
4. **“Board”**- shall mean Board of Directors of the Company.
5. **“Independent Director”** means a Director referred to in Section 149(6) of the Companies Act, 2013 and rules.
6. **“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

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

II. **Role of Committee:**

The role of the Committee *inter alia* will be the following:

- a) to formulate criteria for determining qualifications, positive attributes and independence of a Director
- b) to recommend to the Board the appointment and removal of Director or Senior Management.
- c) to formulate criteria for evaluation of Board and to carry out evaluation of Director’s performance and recommend to the Board appointment / removal based on his / her performance.
- d) to recommend to the Board on Policy relating to remuneration for Director, Key Managerial Personnel and Senior Management.



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- e) To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors and their appointment.
- f) to devise a policy on Board diversity;
- g) any other role statutorily mentioned.

III. Constitution of the Nomination and Remuneration Committee:

The Board has constituted the “Nomination and Remuneration Committee” of the Board on 2014. This is as per the requirements under the Companies Act, 2013 (“Act”).

1. Mr. Kavas Patel;
2. Dr. Chengappa Ganapati; and
3. Ms. Rama Kannan

The Board has authority to reconstitute this Committee from time to time.

IV. Committee and Meetings:

- i. The Committee shall have 3 or more non-executive directors. Not less than 1/2 shall be independent directors.
- ii. Chairman of the Committee shall be an Independent Director and shall not be the Chairperson of the Company.
- iii. Term of the Committee shall be continued unless terminated by the Board of Directors.
- iv. The Committee shall meet as and when necessary and as statutorily required.
- v. Presently the Committee consist all 3 independent directors. Mr. Kavas Patel acts as Chairman of the Committee.
- vi. Quorum of the Committee meetings shall be at least two Independent Directors or as mandated by the Companies Act and, or SEBI Regulations.
- vii. The Proceedings of all the Committee meetings must be recorded i.e. minutes shall be prepared and signed by the Chairman of the Committee. The minutes of the Committee meetings will be



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tabled at the subsequent Board and Committee meetings.

V. Duties of the Committee:

The duties shall be divided in 3 parts based on its two main functions-

1. Nomination Duties: (a) Evaluation process; and (b) Diversity of Board; and
2. Remuneration Duties; and
3. Recommendations to the Board.

A. Nomination Duties:

- Evaluation process of Board:

1. **Board Diversity:** The Committee, along with the Board, shall review on an annual basis, appropriate skills, characteristics and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations. Various skills/ competencies may be based on global economics, corporate governance, general management & leadership, science & technology, quality, supply chain, Sales & marketing, etc.
2. **Evaluation of the performance of the Board:** Evaluating the performance of the Board members in the context of the Company's performance from business and compliance perspective. The Committee may take into consideration factors such as participation and contribution by director; commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality, independence of behaviour and judgment; influence and impact, etc.
3. **Suitability of the Board Members:** In evaluating the suitability of individual board members, the Committee may also take into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and

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professional background and personal achievements.

4. **Evaluation of Management working:** In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They may also critically evaluate management's working.
5. **Identifying competency gaps** in the Board, if any, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company.
6. The Committee may also identify suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board may evaluate the candidate(s) and decide on the selection of the appropriate member.
7. Determining the appropriate size, diversity and composition of the Board. The Board may comprise Male and Female Directors based on selection criteria, qualifications, experience and its usage to the Company. The composition of Board shall be in accordance to requirements of Companies Act and SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.
8. Appointment: Ensuring that on appointment to the Board, Independent Directors receive a formal letter of appointment in accordance with the guidelines provided under the Companies Act, 2013.
9. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.



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- Evaluation process of SMP or KMP:

1. Similarly, evaluating the performance of the SMP or KMP in the context of the Company's performance from business and compliance perspective. The Committee may take into consideration factors such as participation and contribution by employee, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality, behavior, etc.
2. Ensuring that there is an appropriate induction, familiarization and/ or training programme in place for new directors and members of senior management and reviewing its effectiveness.
3. Delegating any of its powers to one or more of its members of the Committee.
4. Recommend any necessary changes to the Board.
5. Considering any other matters as may be requested by the Board;

B. Remuneration Duties:

- **General:** The remuneration of the Managing Director or any other director of the Company shall be reviewed and recommended by the Nomination and Remuneration Committee, based on criteria such as industry benchmarks, Company performance vis à- vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organizations and decided by the Board of Directors.
- The Company may pay remuneration by way of salary, perquisites and allowances (fixed component) and/ or variable component to its Managing Director. Annual increments may be decided by the Nomination and Remuneration Committee or Board of Directors within the salary scale approved by the members.
- **Sitting Fee:** Sitting Fee shall be in accordance with approval by the Board of Directors and within statutory limits.



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- **Components of Remuneration:** The remuneration of Key Managerial Personnel shall also be reviewed by the Committee to the Board. The Remuneration of employees may largely consist of basic remuneration, perquisites, allowances and performance incentives. The components of the total remuneration may vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by them, their individual performances, short and long term performance objectives appropriate to the working of the Company, etc.
- **Increments in the Remuneration:** The remuneration for the KMP at the time of the appointment has to be approved by the Board, however any subsequent increments shall be approved by the Managing Director of the Company as per the HR policy of the Company and ratified by the Board.
- Similarly, remuneration of SMP can be fixed and increments can be made by Managing Director of the Company as per the HR policy of the Company and ratified by the Board.

C. Recommendations to the Board:

- (a) The Committee may periodically review the size and composition of the Board to have an appropriate mix of executive and independent Directors to maintain its independence and separate its functions of governance and management and to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company. The composition of Board shall be in accordance to requirements of Companies Act and SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.
- (b) The Committee may formulate the criteria determining qualifications, positive attributes and independence of a Director and recommend candidates to the Board.

VI. Independent Directors: Separate meeting of Independent **Directors** for evaluation of performance of the Board shall be conducted once in a year in accordance with provisions /



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clauses as stated in the SEBI Regulations. The evaluation may be based on the above-mentioned criteria.

Any matter not provided for in this Policy shall be handled in accordance with relevant laws and regulations and the Company's Articles of Association.

VII. Policy Review:

- (a) This Policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder and the requirements of SEBI Regulations.
- (b) In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy.
- (c) This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification to the policy as recommended by the Committee would be placed before the Board of Directors for their approval.

VIII. Implementation of the Policy:

Policy is applicable since April 2019.