
NOTICE

Notice is hereby given that the Thirtieth Annual General Meeting of the Members of Tasty Bite Eatables Limited will be held on Wednesday, 10th September, 2014 at 11.00 a.m. at the Registered Office of the Company at 204, Mayfair Towers, Wakdewadi, Shivajinagar, Pune 411 005 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014, the Statement of Profit & Loss Account for the financial year ended on that date and the reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on 59,530 1% Non-Cumulative, Non Convertible Redeemable Preference shares of Rs. 100/- each for the financial year 2013-14.
3. To declare dividend of Re. 1 per Equity Share on 25,66,000 Equity shares of Rs. 10 each for the financial year 2013-14.
4. To appoint a Director in place of Mr. Ashok Vasudevan, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration and to pass with or without modification, the following Resolution as an Ordinary Resolution.

"RESOLVED THAT M/s. Kalyaniwalla & Mistry, Chartered Accountants, Pune (Firm Registration No 104607W) who retire at this Annual General Meeting and being eligible, offer themselves for re-appointment, be and are hereby appointed as Auditors of the Company for holding office from the conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting and that the Board of Directors be and is hereby authorized to determine the remuneration payable to the said auditors."

SPECIAL BUSINESS:

6. Appointment of Mr. K. P. Balasubramaniam as an Independent Director:

To consider and if thought fit, to pass the following Resolution as **Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") the Rules framed thereunder, read with Schedule IV to the Act, Mr. K. P. Balasubramaniam (DIN 00034686), a non executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, and who is eligible for appointment, be and is hereby appointed as Independent director of the Company from September 10, 2014 till September 9, 2019.

7. Appointment of Dr. V. S. Arunachalam as an Independent Director:

To consider and if thought fit, to pass the following Resolution as **Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") the Rules framed thereunder, read with Schedule IV to the Act, Dr. V S Arunachalam (DIN 00400857), a non executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent director of the Company from September 10, 2014 till September 9, 2019.

8. Appointment of Mr. Kavas Patel as an Independent Director:

To consider and if thought fit, to pass the following Resolution as **Ordinary Resolution:**

"RESOLVED THAT pursuant to provisions of section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") the Rules framed thereunder, read with Schedule IV to the Act, Mr. Kavas Patel (DIN 00002634), a non executive director of the Company, who has submitted a declaration that he meets the



criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent director of the Company from September 10, 2014 till September 9, 2019.

9. Ratification of Cost Auditor's remuneration:

To consider and if thought fit, to pass the following Resolution as **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 and any other Rules as applicable, the Company hereby ratifies the remuneration of Rs. 60,000/- (Rupees Sixty Thousand only) plus service tax and out of pocket expenses payable to M/s. A J Paranjape & Co, who are appointed as Cost Accountants to conduct cost audit for financial year 2014-15."

10. Borrowing Powers:

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

"RESOLVED THAT in supersession of the Resolution passed by postal ballot dated February 2, 2012, and pursuant to section 180 (1) (c) and other applicable provisions, if any of the Companies Act, 2013 ("Act"), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (the Board), to borrow from time to time, any sum or sums of money including the moneys already borrowed by the Company (apart from temporary loan obtained from Company's Bankers in ordinary course of business) may exceed, at any time the aggregate of the paid up capital and free reserves of the Company, provided that the total amount so borrowed by Board shall not exceed at any time Rs. 75 crore (Rupees Seventy five crore only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers to a Committee constituted by Board with power to the said Committee to sub delegate its powers to any of its members."

11. Creation of Charges:

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

"RESOLVED THAT in supersession of the Resolution passed by postal ballot dated February 2, 2012, and pursuant to section 180 (1) (a) and other applicable provisions, if any of the Companies Act, 2013 ("Act"), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (the Board), to create such charges, mortgages and hypothecations in addition to existing charges, mortgages and hypothecations, if any created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of Banks, Financial Institutions, other lending/ investing agencies/ trustees for holders of debentures/ bonds which may be issued to or subscribed by all or any Financial institutions/ Banks/or any other investing agencies or any other person(s)/ bodies corporate by way of private placement or otherwise (hereinafter collectively referred to as "Lenders") to secure Rupee / Foreign Currency Loans, debentures, bonds or other instruments (hereinafter collectively referred to as "Loans") provided that total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption costs, charges, expenses and all other monies payable by Company in respect of said loans, for which charge, mortgage, hypothecations are created, shall not, at any time exceed the limit of Rs. 75 crore (Rupees Seventy five crore only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers to a Committee constituted by Board with power to the said Committee to sub delegate its powers to any of its members."

12. Remuneration of Mr. Ravi Nigam, Managing Director of the Company:

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

"RESOLVED THAT pursuant to section 197, 198, Schedule V of the Companies Act, 2013 ("Act") and other

provisions and rules as applicable, the Company hereby approves the remuneration of Mr. Ravi Nigam, Managing Director of the Company, for a period of two years from July 20, 2014 till July 19, 2016 (being the minimum remuneration to be paid even in case of loss or inadequacy of profit) at such terms and conditions and at such remuneration as mentioned in explanatory statement annexed, with authority to the Board or its Committee to add, vary, alter terms & conditions of said remuneration.

RESOLVED FURTHER THAT the Board of Directors and/ or Company Secretary be and is hereby authorized to do all such acts, deeds and things as necessary to give effect to the Resolution."

BY ORDER OF THE BOARD OF DIRECTORS OF
TASTY BITE EATABLES LIMITED

Dated : May 8, 2014

Place : Pune

Ravi Nigam
Managing Director

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business under item no 6 to 12 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the meeting duly stamped and signed. Members are requested to note that a person can act as proxy for not more than 50 members and not exceeding 10% of the share capital.**
3. Members /Proxies should bring duly-filled Attendance Slips sent herewith to attend the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Annual General Meeting (AGM).
4. Corporate Members are requested to send to the Company, a duly certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf, at the AGM.
5. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, August 30, 2014 to Wednesday, September 10, 2014 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the meeting.
7. The dividend, upon declaration by the members at the AGM shall be credited / dispatched before October 9, 2014, to those members whose names appear on the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company or its Registrar & Transfer Agents (RTA) on or before Friday, August 29, 2014. In respect of shares held in dematerialized form, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the Depositories as on the closing hours of business on Friday, August 29, 2014. After dispatch of dividend instruments, any request for change in the Bank Account will not be entertained by the Company or its RTA.
8. Members desirous of obtaining any detailed information concerning the accounts and operations of the Company are requested to address their queries to the Managing Director so as to reach the Company at least seven days before the date of the AGM, so that the required information may be made available at the AGM.



9. Members are requested to bring their own copy of the Annual Report to the meeting. No extra copies of the Annual Report will be distributed at the meeting.
10. All the documents referred to in the Notice and other Statutory Registers are open for inspection at the Registered Office of the Company on all working days viz. from Monday to Friday between 10:00 am to 1:00 pm up to the date of AGM.
11. Shareholders/ investors may contact the Company on designated e-mail id: secretarial@tastybite.com for speedy action from Company's end.
12. The Company has paid the annual listing fee to respective Stock Exchanges for financial year 2014-15.
13. Members are requested to notify changes, if any, in their registered addresses and all correspondences, including dividend matters to the Company's RTA.
14. Members who have neither received nor encashed their dividend warrant(s) for the financial years 2009-10 onwards, are requested to write to the Company or its RTA, mentioning the relevant folio number(s)/ DP ID and Client ID, for issuance of demand draft.
15. SEBI vide circular dated May 20, 2009 has made it mandatory for transferees requesting for transfer of shares of listed companies in physical form, to furnish a copy of their PAN, duly self attested to the RTA, whilst lodgment of such shares.
16. The Ministry of Corporate Affairs (MCA), Government of India has taken a Green Initiative by allowing paperless compliance by the companies and has permitted companies to issue copies of Annual Report by email to shareholders. The Listing Agreement requires the Company to send the soft copy of Annual Report only to those shareholders who have registered themselves for the purpose. The Members can register their e-mail address with RTA of the Company.
17. Voting through electronic means:
 - i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, a member may exercise his right to vote by electronic means (e-voting) in respect of the Resolutions contained in this notice.
 - ii. The Company is providing the e-voting facility to its members to enable them to cast their votes electronically. The Company has engaged the services of M/s. Karvy Computershare Private Limited ('Karvy') as the authorised agency to provide e-voting facility.
 - iii. The Board of Directors have appointed Mr. J. N. Mavji, Practicing Company Secretary, Pune as the Scrutinizer for conducting e-voting process in fair and transparent manner.
 - iv. Members are requested to carefully read the instructions for e-voting before casting their vote.
 - v. The e-voting facility will be available during the following voting period after which the portal will be blocked and shall not be available for e-voting:

Commencement of e-voting	September 3, 2014- from 9.00 am (IST)
End of e-voting	September 5, 2014- upto 6.00 pm (IST)

- vi. The Procedure and instructions for e-voting are as under:
 - a) Open your web browser during the voting period by typing the URL: <https://evoting.karvy.com>.
 - b) Enter the login credentials (i.e., user-id & password mentioned in the email forwarding the electronic Notice of AGM, or mentioned on the electronic voting particulars of AGM, in case email id is not registered and physical copy of the Annual Report being received by you.) Your Folio No/DP Client ID will be your User-ID. However, if you hold shares in demat form and are already registered with Karvy for e-voting, you shall use your existing login id and password for casting vote.
 - c) After entering these details appropriately, click on "LOGIN".

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- d) Members holding shares in Demat form (who had not changed their password earlier after logging on to <https://evoting.karvy.com>) / Physical form will now reach Password Change menu wherein you are required to mandatorily change your login password. The new password shall comprise of minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc on first login. You will also be required to enter the Secret Question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**
- e) You need to login again with the new credentials.
- f) On successful login, system will prompt to select the 'Event Number' for 'Tasty Bite Eatables Limited'.
- g) On the voting page, you will see Resolution description and against the same the option 'FOR/AGAINST ABSTAIN' for voting. Enter the number of shares (which represents number of votes) as on the cut off date, under 'FOR/AGAINST' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding as on the cut off date. You may also choose the option 'ABSTAIN' in case you do not want to cast vote. The cut off date is August 1, 2014.
- h) After you have casted your vote (by selecting an appropriate option) for all the Resolutions, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- i) Once you 'CONFIRM' your vote on the Resolutions, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).
- j) Members holding multiple folios / demat accounts shall choose the voting process separately for each folio/ demat account.
- k) Corporate/Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scan (PDF format) of the relevant Board resolution/ Authority letter, etc. together with attested specimen signature(s) of the authorized representative(s) to the Scrutinizer through e-mail to jnmavji@yahoo.com with a copy to evoting@karvy.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no."
- l) The Members who have casted their vote electronically shall not be allowed to vote again at the meeting.
- m) Please contact the toll free No. 1-800-34-54-001 for any further clarifications. You may visit the FAQ's section available at Karvy's website <https://evoting.karvy.com>.
- n) The Scrutinizer shall after the conclusion of e-voting period and before closing hours on September 9, 2014 unblock the votes in presence of atleast two (2) witnesses not in employment of the Company and will make Scrutinizers Report of the votes cast in favour or against, if any, forth with to the Chairman of the Company.
- o) The Scrutinizers decision on the validity of the vote shall be final and binding.
- p) The result on the Resolutions shall be declared on or after the AGM of the Company and the Resolutions shall be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
- q) The results declared alongwith the Scrutinizer's Report shall be placed on the website of the Company (www.tastybite.co.in) and on Karvy's website (<https://evoting.karvy.com>) within 2 days of passing of the Resolutions at the AGM and communicated to Stock Exchanges where the shares of the Company are listed.



PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT, A BRIEF RESUME OF THE DIRECTOR PROPOSED TO BE REAPPOINTED VIDE ITEM NO 4 IS DETAILED BELOW :

Mr. Ashok Vasudevan has been a Non Executive Director since March 1999. He is also Chairman of Board of Directors of the Company. He is proposed to be re-appointed as a Director.

A brief profile of Mr. Vasudevan is as follows:

Date of Birth & Age	March 9, 1955, 59 years
Date of Appointment	March 31, 1999
Qualifications	Mr. Vasudevan holds a Bachelor of Science (Agriculture) degree from Bangalore and a Management degree from Jamnalal Bajaj Institute of Management Studies, Bombay. He also holds Owner/President Management (OPM) from the Harvard Business School.
Expertise in specific functional areas	Mr. Vasudevan has wide experience of 30 plus years as an entrepreneur and a corporate executive for large multinationals. He headed the India desk of Pepsi World Trade from New York. He received Pepsi's MVP award in 1991 for his contributions. Before joining Pepsi he spent 10 years with the Unilever group in India in various functions that included Management Development, Sales & Marketing and International Business. He is cofounder of Preferred Brands International Inc, USA.
Directorship in other Companies as on March 31, 2014 (including Private limited companies and excluding foreign companies)	<ol style="list-style-type: none"> 1. Preferred Brands Foods (India) Pvt Ltd- Director 2. ASG Omni India Pvt Ltd- Director 3. Center for Science, Technology and Policy- Director
Chairmanship/ Membership of Committees of above mentioned Companies	NIL
Shareholding in the Company	NIL

He is the CEO & Director of Preferred Brands International Inc., USA which in turn is the holding company with 100% shareholding of Preferred Brands Foods (India) Private Limited, the holding Company of Tasty Bite Eatables Limited. He is also Chairman of Preferred Brands Australia Pty Ltd, a fellow subsidiary of the Company.

His wife, Mrs. Meera Vasudevan is also a Non-Executive Promoter Director of the Company. He does not hold any shares of the Company.

ANNEXURE TO NOTICE

(Explanatory Statement pursuant to Section 102 of Companies Act, 2013)

Item No 6:

Mr. K. P. Balasubramaniam has been a Non Executive Director since August 2001, and was considered as Independent for purpose of Clause 49 of Listing Agreement.

A brief profile of Mr. Balasubramaniam is as follows:

Date of Birth & Age	July 15, 1941, 72years
Date of Appointment	August 31, 2001
Qualifications	Mr. Balasubramaniam holds a Bachelor of Science degree from Madras University. He also hold a Diploma in Business Management from London. He also is a Fellow Member of the Institute of Directors, London and Member of British Institute of Management, London.
Expertise in specific functional areas	Mr. Balasubramaniam was Chairman & Managing of erstwhile Mysore Breweries Ltd (now known as SAB Miller Ltd). He has also served as President of 'All India Breweries Association', Beer Manufacturing Association- Mumbai, Liquor Manufacturing Association- Karnataka. He has a rich and vast experience in Beer, Food Products and Garment Industries.
Directorship in other Companies as on March 31, 2014	1. TMC Enterprises Pvt Ltd- Managing Director 2. Jaybear Investment & Finance Pvt Ltd- Chairman 3. EIE Enterprises Pvt Ltd- Director 4. Kar Mobiles Ltd- Director 5. Ritz Hotel (Mysore) Ltd- Director
Chairmanship/ Membership of Committees of above mentioned Companies	Kar Mobiles Ltd- Member of Share Transfer/ Investor Service Committee
Shareholding in the Company	2291 shares

Pursuant to provisions of Section 149 of Companies Act, 2013, an Independent Director can be appointed for a period upto 5 years and such director shall not be liable to retire by rotation.

Mr. Balasubramaniam has provided declaration of his independence as required under section 149(6) of the Companies Act, 2013. In opinion of the Board, Mr. Balasubramaniam fulfills the criteria of being appointed as Independent Director. The matter of appointment of Independent Director was placed before the Remuneration & Nomination Committee on May 8, 2014 which recommended his appointment as Independent Director for a period of 5 years from September 10, 2014 till September 9, 2019.

In terms of section 149, his appointment as Independent Director is being placed before members for approval.

Mr. Balasubramaniam is interested in the Resolution mentioned in item no 6. No other Director or Key Managerial Personnel or their relatives are interested in the Resolution.

**Item No 7:**

Dr. V. S. Arunachalam has been a Non Executive Director since July, 2002, and was considered as Independent for purpose of Clause 49 of Listing Agreement.

A brief profile of Dr. V. S. Arunachalam is as follows:

Date of Birth & Age	November 10, 1935, 78 years
Date of Appointment	July 26, 2002
Qualifications	Dr. Arunachalam is a Ph.D. in Materials Science and Engineering from University of Wales.
Expertise in specific functional areas	Dr. Arunachalam has served as a Distinguished Services Professor at the Carnegie Mellon University in Engineering & Public Policy, Department of Materials Science and Robotics Institute. He also served as Head DRDO and Scientific Advisor to the Defence Minister (Government of India). He has several awards to his credentials including Padma Vibhushan, Padma Bhushan and the Shanti Swarup Bhatnagar Prize for Engineering Services.
Directorship in other Companies as on March 31, 2014	1. Birla Sun Life Trustee Company Pvt Ltd- Director 2. Center for Study of Science, Technology & Policy - Director
Chairmanship/ Membership of Committees of above mentioned Companies	NIL
Shareholding in the Company	NIL

Pursuant to provisions of Section 149 of Companies Act, 2013, an Independent Director can be appointed for a period upto 5 years and such director shall not be liable to retire by rotation.

Dr. Arunachalam has provided declaration of his independence as required under section 149(6) of the Companies Act, 2013. In opinion of the Board, Dr. Arunachalam fulfills the criteria of being appointed as Independent Director. The matter of appointment of Independent Director was placed before the Remuneration & Nomination Committee on May 8, 2014 which recommended his appointment as Independent Director for a period of 5 years from September 10, 2014 till September 9, 2019.

In terms of section 149, his appointment as Independent Director is being placed before members for approval.

Dr. Arunachalam is interested in the Resolution mentioned in item no 7. No other Director or Key Managerial Personnel or their relatives are interested in the Resolution.

Item No 8:

Mr. Kavas Patel has been a Non Executive Director since May, 2009, and was considered as Independent for purpose of Clause 49 of Listing Agreement.

A brief profile of Mr. Kavas Patel is as follows:

Date of Birth & Age	February 2, 1947, 67 years
Date of Appointment	May 29, 2009
Qualifications	Mr. Patel is a Bachelor of Commerce from Mumbai. He is also a Fellow Member of the Institute of Chartered Accountants in England and Wales.
Expertise in specific functional areas	Mr. Patel started his career with Franklin Wild and Co., Chartered Accountants, London as Clerk. He then joined Polaroid Corporation in 1974 and worked with them in various international assignments in Europe, Far East, USA and India. His last assignments with Polaroid was Director of Finance, Asia Pacific Region and Country Director India. He presently administers Dua Associates, Advocates, Pune, established in 1998.
Directorship in other Companies as on March 31, 2014	<ol style="list-style-type: none">1. Champion Dai-Ichi Technologies Ltd - Director2. Dai-Ichi Karkaria Ltd - Director3. Indian Oxides and Chemicals Ltd- Director4. Phil Corp. Ltd- Director5. Uni Klinger Ltd- Director6. Zinnia Properties Pvt Ltd- Director
Chairmanship/ Membership of Committees of above mentioned Companies	<ol style="list-style-type: none">1. Dai-Ichi Karkaria Ltd- Chairman - Audit & Shareholder Grievance Committee2. Phil Corp. Ltd- Chairman- Audit Committee3. Uni Klinger Ltd- Chairman- Audit Committee
Shareholding in the Company	NIL

Pursuant to provisions of Section 149 of Companies Act, 2013, an Independent Director can be appointed for a period upto 5 years and such director shall not be liable to retire by rotation.

Mr. Patel has provided declaration of his independence as required under section 149(6) of the Companies Act, 2013. In opinion of the Board, Mr. Patel fulfills the criteria of being appointed as Independent Director. The matter of appointment of Independent Director was placed before the Remuneration & Nomination Committee on May 8, 2014 which recommended his appointment as Independent Director for a period of 5 years from September 10, 2014 till September 9, 2019.

In terms of section 149, his appointment as Independent Director is being placed before members for approval. Mr. Patel is interested in the Resolution mentioned in item no 8. No other Director or Key Managerial Personnel or their relatives are interested in the Resolution.



Item No 9:

Pursuant to recommendation by the Audit Committee, Board of Directors in its meeting held on May 8, 2014 approved the appointment of M/s. A J Paranjape & Co as Cost Auditors for financial year 2014-15. Eligibility and Willingness Certificate has been submitted by the Cost Auditor.

In accordance with section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 remuneration payable to the Cost Auditor has to be ratified by the Members of the Company.

Accordingly, consent of Members is sought for item no 9 as Ordinary Resolution. None of the Directors, Key Managerial Personnel or their Relatives are interested in the Resolution.

Item No 10:

Under the erstwhile Section 293(1) (d) of Companies Act, 1956, the Board of Directors of a Company could, with the consent of shareholders obtained by way of Ordinary Resolution, borrow moneys, apart from temporary loans obtained from Company's Bankers in ordinary course of business, in excess of aggregate paid up capital and free reserves.

Under section 180(1) (c) of the Companies Act, 2013, the above mentioned power can be exercised by the Board of Directors with consent of shareholders obtained by way of Special Resolution.

The consent of shareholder w.r.t. section 293 (1) (d) of erstwhile Act was obtained by way of Postal Ballot on February 2, 2012 for borrowing upto Rs. 75 crore. As per MCA clarification, this approval shall be valid till September 11, 2014 only. Hence, it is necessary to obtain fresh approval of shareholders by way of Special Resolution, to enable the Board to borrow moneys (apart from temporary loans) in excess of aggregate paid up capital and free reserves. The Borrowing limit of Rs. 75 Crore remains unchanged.

Accordingly, consent of Members is sought for Resolution in item no 10 to be passed as Special Resolution. None of the Directors, Key Managerial Personnel or their Relatives are interested in the Resolution.

Item No 11:

Under the erstwhile Section 293(1) (a) of Companies Act, 1956, the Board of Directors of a Company could, with the consent of shareholders obtained by way of Ordinary Resolution, create charge, mortgage, hypothecate on company's assets, both present and future, in favour of lenders to secure the repayment of moneys borrowed by the Company.

Under section 180(1) (a) of Companies Act, 2013, the above mentioned power can be exercised by the Board of Directors with consent of shareholders obtained by way of Special Resolution.

The consent of shareholder w.r.t. section 293 (1) (a) of erstwhile Act was obtained by way of Postal Ballot on February 2, 2012. As per MCA clarification, this approval shall be valid till September 11, 2014 only. Hence it is necessary to obtain fresh approval of shareholders by way of Special Resolution, to enable the Board to create charges, mortgages, hypothecation on Company's assets, both present and future, in favour of lenders (as mentioned in Resolution) to secure repayment of monies borrowed by the Company (termed as Loans in Resolution). The existing limit of Rs. 75 Crore remains unchanged.

Accordingly, consent of Members is sought for Resolution in item no 11 to be passed as Special Resolution. None of the Directors, Key Managerial Personnel or their Relatives are interested in the Resolution.

Item No 12:

Mr. Ravi Nigam was re-appointed as a Managing Director by the Members in AGM on September 5, 2011 for a term of 5 years w.e.f July 20, 2011 till July 19, 2016 However, his remuneration was fixed for a term of 3 years i.e. from July 20, 2011 till July 19, 2014.

The Remuneration Committee in its meeting held on May 8, 2014 recommended to the Board, the remuneration to be paid for remaining tenure of 2 years. The recommendation was approved by Board of Directors in its Meeting held on May 8, 2014, subject to approval by Members by way of Special Resolution.

Schedule V of the Companies Act, 2013 determines the limit of payment of managerial remuneration by companies in case of loss or inadequacy of profit, in any financial year and inter alia requires approval of Members by way of Special Resolution. Accordingly, in case of inadequacy of profits, the Company can, after approval of members, pay

remuneration to managerial personnel double the limits defined in Schedule V - Part II- Section II without the approval of Central Government.

Besides the terms and conditions for payment of managerial remuneration in proposed Resolution, the other key terms and conditions of his remuneration is as follows:

1. The Board of Directors and/ or the Remuneration & Nomination Committee may revise, enhance, alter or vary the remuneration of the appointee in such manner as may be agreed, within the maximum limit as per the Companies Act, 2013 and approval by Members.
2. **Period:** Managing Director has been re-appointment for 5 (Five) years w.e.f. July 20, 2011 unless terminated by either side with three months notice in writing in Annual General Meeting on September 5, 2011. He is not liable to retire by rotation.
3. **Powers:** Subject to the superintendence and control of the Board, he shall have all powers of the Board as delegated to him for running of day to day business of the Company or by Power of Attorney except those vested in the members in the General Meeting by law.

4. Remuneration:

In consideration of the duties and obligations undertaken by the Managing Director hereinabove, the Company shall pay him the remuneration for 2 years w.e.f. July 20, 2014 till July 19, 2016, subject to the approval of Members at the AGM.

The Managing Director shall not be paid any sitting fees for attending Board or Committee Meetings of the Company.

The information w.r.t. proposed remuneration under **Schedule V Part II Section II** is as below:

A. GENERAL INFORMATION:

1. **Nature of Industry:** Food Processing consisting of ready to serve products.
2. **Date of commencement of commercial production:** September 20, 1985
3. **In case of new companies expected date of commencement of activities as per project approved by the financial Institutions appearing in the prospectus:** Not Applicable
4. **Financial performance based on given indicators**

(Rs. in 'ooo)

Particulars	FY 2013-14	FY 2012-13
Total Revenue	14,59,229	11,19,204
Profit before Tax	62,538	93,041
Profit after Tax	43,288	63,256

5. Export Performance and net foreign exchange collaborations:

(Rs. in 'ooo)

Particulars	FY 2013-14	FY 2012-13
F.O.B. value of Exports	805,443	669,570

6. Foreign investments or collaborators, if any:

There is no direct foreign equity participation. The shareholding of Non-Resident Investors as on March 31, 2014 is 12,511 shares (0.49%).



B. INFORMATION ABOUT THE APPOINTEE FOR WHOM THE REMUNERATION IS PROPOSED:

1. Background & details: Mr. Ravi Nigam, aged about 54 years, holds a Degree in Chemistry and a Masters Degree in Rural Management from the Institute of Rural Management, Anand and Owner/President Management (OPM) from the Harvard Business School. He has vast domestic and international experience of over 31 years in food processing and agriculture commodities. He was the Chief General Manager of Ballarpur Industries Ltd- Commodity Foods Group. He started his career with Britannia Industries and also worked for Pepsi India. He also, set up his own business providing Agri-exports consultation and worked with clients such as Pepsi, L&T, Proctor & Gamble, Tata Exports and Ballarpur Industries. He is the Director of Preferred Brands Foods (India) Private Limited which is the holding Company of this Company, Preferred Brands Australia Pty. Ltd. and a member of ASG Omni LLC. He is also a Director of Preferred Brands International Inc., the holding company of Preferred Brands Foods (India) Pvt. Ltd. He holds 200 equity shares, (including 100 equity shares as joint holder) of the Company.

2. Past Remuneration:

Particulars	Amount (in lakh)
Salary (FY 2013-14)	56.13

3. Recognition & Awards:

Mr. Ravi Nigam started his career with Britannia Industries where he led the team for exports, achieving "Star Trading House Status". He then joined Pepsi India's start-up team and set up the company's own Basmati-rice plant and a network of high quality suppliers. Later, he set up his own business specializing in Agri-exports consulting and working on large soya, rice, wheat projects for such blue chip clients as Pepsi, L&T, Proctor & Gamble, Tata Exports and Ballarpur Industries. Later, he headed Ballarpur Industries' Commodity Foods Group as its Chief General Manager. He has been the Chief Executive Officer of Tasty Bite Eatables Limited since 1997 when it was a sick unit under BIFR. He turned it around and made it a profit-making unit. In the year 2006-07, the Company was awarded Silver Trophy by APEDA (Agricultural Processed Food Product Export Development Authority) for outstanding export performance.

4. Job Profile & Suitability:

Mr. Ravi Nigam has proven record of Merit as narrated at point (3) above, and has already turned the Company around from its "sick industry unit" status. The performance of the Company in terms of its growth rate both in exports and domestic market is an indicator of his capabilities. He is the driving force behind the marketing, research and development and overall management of the Company contributing to continuous growth, increased productivity and enhanced quality.

5. Remuneration proposed:

The following remuneration subject to the approval of Central Government for Mr. Ravi Nigam for the period from 20 July 2014 till July 19, 2016:

Salary & Allowances	In the scale of Rs. 3,10,000 - Rs. 6,00,000 p.m.
Perquisites	Medical reimbursement upto Rs. 15,000 p.a. Leave Travel Allowance for self, spouse and children for travel to any place in India upto Rs. 60,000. Encashment of leave as per Company Policy.
Other benefits	Contribution to Provident Fund as per applicable Rules and Company Policy. Gratuity as per Company Policy. Provision of a car with driver and re-imburement of telephone bills for use on Company's business shall not be considered as perquisite. Mediclaime insurance and Group Accident coverage as per Company Policy shall not be considered as perquisite.

6. Comparative remuneration profile with respect to Industry size of the Company, profile of the position and person:

Having regard to the type of industry, the trend in the industry, the size of the Company, the growth of the Company, the profile of the Managing Director, his contribution and merits, his responsibilities, the remuneration proposed is at par with the remuneration being paid to the senior executives in both domestic as well as multinational corporate sector in the food processing industry. Companies Act, 2013 has placed enormous responsibilities on the management. In order to compensate with increased responsibility, it is proposed to remunerate the managing director with appropriate remuneration. The Board of Directors and Remuneration & Nomination Committee have proposed similar remuneration to the Managing Director, without any change in existing package.

7. Pecuniary relationship, directly or indirectly with the Company or relationship with the managerial personnel, if any:

There is no pecuniary relationship of Mr. Ravi Nigam with the Company or with any managerial personnel except as detailed in the Note no. 34 of Notes to Accounts.

C. OTHER INFORMATION:

1. Reasons for inadequacy of profits:

Though the overall revenues of the Company have grown, the profits of the Company have reduced due to:

- Inflation in agricultural commodities and dairy products led to sharp increase in input cost. Dairy prices increased by more than 20% in last two years.
- Also in quarter 2 & 3 of financial year 2013-14, prices of key agricultural commodities like onions and tomatoes increased to unprecedented levels.
- This led to increase in material cost to 63.5% in financial year 2013- 14 as compared to 57.2% in FY 2013.

2. Steps taken for improvement:

There are several initiatives which include taking forward covers on foreign exchange, smarter buying and entering into fixed price contracts with its suppliers in order to increase profitability. The Company has also initiated various programmes to look at manufacturing costs to seek cost savings. Along with these measures, as the business of the Company continues to grow it is expected to increase the profitability of the Company subject to the constraints of competition and price increase it can undertake.

3. Expected increase in productivity and profits in measurable terms:

With the above steps being taken by the Company, the productivity and profitability is expected to improve and increase.

D. DISCLOSURES:

Remuneration of all directors also form a part of Directors' Report.

The Company has not issued any stock options to any of the Directors. The Company has not defaulted in payment/ repayment of interest.

The Board of Directors recommends the Resolution for approval of the members.

None of the other Directors of the Company, except Mr. Ravi Nigam is in anyway, concerned or interested in the said Resolution.

Above may also be treated as an abstract of the terms and conditions governing the remuneration of the Managing Director.

BY ORDER OF THE BOARD OF DIRECTORS OF
TASTY BITE EATABLES LIMITED

Dated : May 8, 2014
Place : Pune

Ravi Nigam
Managing Director